The NATIONAL UNDERWRITER

Life Insurance Edition

FRIDAY, FEBRUARY 3, 1956

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The NATIONAL UNDERWRITER

60th Year, No. 5
February 3, 1956

The National Weekly Newspaper of Life Insurance

Premium Tax Angle of Welfare Fund Bill Stirs Concern

N. Y. Measure Would Cost Insurers Business, State Taxes, if Not Modified

NEW YORK— Absence of anything in the nature of a premium tax on jointly administered labor-management welfare funds that self-insure is the chief cause of concern to insurance companies in connection with the tougn anti-racketeering bill drafted by Martin House, special counsel to the insurance department. Mr. House has been conducting an extensive examination to determine the type of legislation needed to prevent abuses in welfare-fund administration. The bill would remove the present law's ban on self-insuring jointly administered welfare funds.

At the New York department it was stated that the department is aware of the problem that would be caused by absence of a premium tax, is studying the matter, but hasn't come up with an answer. One angle is that the proposed statute calls for departmental examination of welfare funds, the money would have to come from somewhere to meet the examination cost.

Another is that if self-insured pension funds aren't taxed on a basis comparable with insurance companies, it will cost the companies considerable business and the state considerable revenue. Group insurance premiums on persons employed in New York state total around $5 million. Not all of this is in connection with welfare fund benefits but the latter probably account for at least several million dollars.

The premium tax saving would be enough to make it virtually mandatory on a fund's administrators to take advantage of it by self-insuring. The result would be the loss of a large volume of business now written by the insurance companies—and a loss to the states of the premium tax revenue on it.

Even funds that would be too small to consider self-insuring if they had to pay a premium tax would be in a position to save enough, if they were exempt from the tax, to hire the necessary experts and still show a saving over the insured coverage.

Under the existing law, the department has taken the stand that self-insuring of jointly administered funds is not permissible. However, about a third of the workers in the state are covered under funds that went ahead and self-insured without asking permission. The question came up in a prominent way several months ago when the maritime workers union sought a declaratory judgment permitting it to self-insure. It estimated its savings on premium taxes alone at about $80,000 a year.

The draft bill provides for searching

(CONTINUED ON PAGE 20)

Lloyd New Union Central President; Cox Chairman

John A. Lloyd has been elected president of Union Central Life succeeding W. Howard Cox who becomes chairman. Mr. Lloyd was introduced to company managers and general agents as the new president at a dinner at Cincinnati last week.

Joining the company in 1943, Mr. Lloyd has served as vice-president, executive vice-president and as a member of the board. He is a member of the executive committee of American Life Convention and has been active in a number of civic organizations.

Previously he served three terms as superintendent of insurance in Ohio, five years as executive secretary of Ohio Assn. of Insurance Agents, and also as managing editor of the Portsmouth *Morning Sun*. He served three terms in the Ohio state senate.

Mr. Cox started with Union Central in 1908 after graduation from Denison

John A. Lloyd

W. Howard Cox

university. After service in the actuarial and valuation divisions, he was named assistant manager of the Cincinnati agency, where he became a million dollar producer. He returned to the home office in 1922 as assistant secretary, was named secretary and a director in 1928, becoming president four years later.

Widely known in the insurance world, Mr. Cox has served on the boards of Life Insurance Assn. and Institute of Life Insurance. He also has been active in civic organizations.

Mr. Lloyd said the company has em-

(CONTINUED ON PAGE 4)

Ohio Nat'l Elects Evans Chairman, Dodson President

John H. Evans has been named chairman of Ohio National Life and is succeeded as president by M. R. Dod-

John H. Evans

M. R. Dodson

son, formerly executive vice-president.

Joining Ohio National in 1922, after two years with Equitable Life of Iowa, Mr. Evans became president in 1947 and has headed the company during a most progressive period, climaxed by a 50% increase in the past four years to a current $700 million of insurance in force.

Mr. Evans studied actuarial science at University of Michigan. He is a fellow of Society of Actuaries, and a member of Cincinnati Life Underwriters Assn.

Mr. Dodson started with Ohio National Life as a "co-op" student in 1928 while attending University of Cincinnati. He became interested in actuarial science, transferring to the University of Michigan and on graduation in 1932 he rejoined the company. He was elected assistant actuary in 1934, actuary in 1945, a director and vice-president the following year, and executive vice-president in 1947. He also is a fellow of Society of Actuaries.

Several other changes of titles have been made. Frank A. Johnson, formerly superintendent of agencies, was made director of agencies, and George Grace, also superintendent of agencies, appointed director of group and pension sales. Luke Benten becomes assistant director of agencies, and I. M. Magorian was made director of methods and planning.

N. Y. Wants Strict Rules on Terminal Dividend Payments

Notice of Hearing Cites 'Apparent Violations of Principles of Equity'

NEW YORK—"Apparent violations of general principles of equity" in the payment of terminal dividends on ordinary insurance are back of the New York department's proposal to adopt an 8-point set of rules governing these distributions.

This is indicated in a notice to all licensed life companies that a hearing will be held Feb. 17 at 10 a.m. at the department's New York City office to discuss the proposed rules.

Superintendent Holz's letter to the companies doesn't say so, but there is reason to believe that departmental interest in terminal dividends was stimulated or at least intensified by accusations made in recent months by some of the life companies that have been criticized for issuing so-called semi-tontine policies. These companies contend there is no essential difference between what they are doing and the long-accepted practice of paying terminal dividends.

Neither Mr. Holz's letter nor the proposed rules accompanying it spell out the exact nature of the "apparent violations of general principles of equity." However, from the rules it appears that in addition to assuring general equity of treatment among all classes of policyholders, the department is specifically gunning for a certain possible tendency. This is the use, for competitive purposes, of unduly lavish scales of terminal dividends on the assumption that only a trifling percentage of policyholders would want to wreck their insurance programs for the sake of collecting a terminal dividend.

Mr. Holz's letter quotes the statutory provision that life companies "shall ascertain and distribute annually, and not otherwise, the proportion of any surplus accruing upon every participating insurance policy entitled to share therein" and the provision that any such company "may apportion and distribute all or any part of its accumulated surplus with the approval of the superintendent, at reasonable intervals with respect to any policy or contract or on its termination by death, maturity or surrender."

Consistent with such provisions, the department proposes to require any company wishing to pay terminal dividends on its policies terminating after the end of the dividend year current on Dec. 31, 1956, to first submit its scale of terminal dividends for approval.

The criteria which the department plans to use in approving or disapproving a scale of terminal dividends are the following:

1. Before being used in company

(CONTINUED ON PAGE 17)

Late News Bulletins . . .

Cal. Town Bars Uninvited Calls by Agents

In spite of a personal conference between California Insurance Commissioner McConnell and the mayor, the city of Los Altos has amended its "Green River" ordinance to make it entirely clear that insurance agents, along with other salesmen, are prohibited from making unsolicited calls on local citizens In tightening up the ordinance the city council also amended it to bar solicitation of newspaper subscriptions. It is expected that the amended ordinance will be a major issue in the next city election, due in April.

Chappelear Heads Prudential Bond Department

NEWARK—Monroe Chappelear, 2nd vice-president, has been placed in charge of Prudential's bond department to give Vice-president Caleb Stone relief from administrative responsibilities of that department. However, Mr. Stone will continue his activities in the department's investment work. Mr. Chappelear joined the company in 1935 as an industrial statistician in the bond department. He became 2nd vice-president in 1949.

602 Already Qualified for MDRT, 57% Ahead

The second list of Million Dollar Round Table qualifiers, covering those whose applications were approved through Jan. 17, totals 350 and brings the aggregate as of that date to 602, a 57% increase over the same date a year ago.

The 350 qualifiers on the second list are shown in five categories: life and qualifying, repeating, 126: life, 57; life and qualifying, first time, 37; qualifying, repeating, 73; qualifying, first time, 57.

The deadline for filing applications is March 15 but Chairman Arthur F. Priebe, Penn Mutual, Rockford, Ill., warned that those who want to go on the convention cruise on *the Kungsholm* to Bermuda May 6-21 can't safely wait until just before the March 15 deadline to submit their applications for MDRT membership. Under the rules set up for handling the *Kungsholm* reservations, no one will be assigned a reservation priority number until his MDRT application is received at MDRT headquarters. The application need not have been approved as a prerequisite to getting a cruise reservation priority number but the MDRT qualification application must go in with or before the cruise reservation form.

MDRT headquarters at Chicago are being swamped with applications and the increase of 57% over the same date last year would be considerably greater if it were not for the number of mistakes made by applicants on their applications and affidavits. These delay the processing of the documents in which the errors are found and also hold back the processing of other papers still be to handled.

Following is the second list of qualifiers, in the five MDRT categories:

Life and Qualifying, Repeating

Jerome Adler, Connecticut Mutual, New York, City; Robert S. Albritton, Provident Mutual, Los Angeles; Huffman Baines, Southland Life, Austin, Tex.; Harry J. Baker, Bankers National, Boston; John D. Banning, National of Vermont, Chicago; Jacques Barr, Mutual of New York, Chicago; H. F. Bell, American General, Abilene, Tex.; Jerry Bell, Southland, Austin, Tex.; Myron O. Bickel, American National, Galveston; Nathan S. Bienstock, Massachusetts Mutual, New York City; Emmette E. Biscamp, Franklin Life, Beaumont, Tex.; Franklin W. Bowen, Northwestern Mutual, Charleston, W. Va.; Charles S. Bray, Victory Life Topeka; John E. Bromley, Massachusetts Mutual, Battle Creek.

Archie A. Campbell, Northwestern Mutual, Minneapolis; Frank J. Campbell Jr., Connecticut General, Philadelphia; Robert E. Castelo, Northwestern Mutual, Champaign, Ill.; Walter R. Cavanaugh, North American Life of Toronto, Detroit; William G. Chatham, Business Men's Assurance, Drain, Ore.; John E. Clayton Massachusetts Mutual, Newark; Ithiel A. Cohen, Lincoln National, Pittsburgh; John P. Costello, Southwestern Life, Dallas; Harold M. Covert Jr., Mutual Benefit Life, Allentown, Pa.; Clarence E. P. Crauer, Northwestern Mutual, Poughkeepsie, N.Y.; Robert A. Davies, New York Life, San Francisco; Fraser Deacon, Canada Life, Toronto; Daniel E. Dean, Northwestern Mutual, Philadelphia; Victor Deitch, Sun Life of Canada, Indianapolis; Arnold Domenitz, New York Life, New York City; David A. Donaldson, London Life, Toronto; Ray W. Druckenmiller, Provident Mutual, Allentown, Pa.; Leo F. Duax, Equitable Society, Eau Claire, Wis.; Paul H. Dunnavan, Canada Life, Minneapolis; Merton Durant, Canada Life, Toronto.

Arthur Aa. Ebenstein, Union Central, Beverly Hills, Harold D. Farber, Security Mutual of N.Y., Buffalo; A. C. F. Finkbiner Jr., Northwestern Mutual, Philadelphia; Mark F. Foster, Security Life & Trust, Greensboro, N.C.; B. W. Frederick, National Life of Vermont, Atlanta; Herbert V. Friedman, Massachusetts Mutual, New York City; Clyde H. Fuller, Northwestern Mutual, Milwaukee; Morris Galnick, Great-West Life, Chicago; Henry Ginsberg, Gulf Life, Miami; Aaron B. Goldstein, Metropolitan, South Boston; Edward F. Gore, Franklin Life, Fort Lauderdale, Fla.; Louis J. Grayson, Travelers, Washington, D.C.; Lloyd A. Groth, Penn Mutual, Bethlehem, Pa.; John M. Hammer, State Mutual, Tampa; John D. Haynes, Franklin Life, Fort Wayne; Joseph D. Heard, Pilot Life, Louisville; Samuel S. Herman, Connecticut Mutual, Chicago; Clifford E. Hoenk, Northwestern Mutual, South Bend; Harold G. Horn, Business Men's Assurance, Portland, Ore.

Jack Isaacson, Metropolitan, Chicago; Nathan S. Jacobson, Crown Life, Baltimore; Herbert P. Jones, Atlantic Life, Pittsburgh; Nate Kaufman, Indianapolis Life, Shelbyville, Ind.; Donald K. Kissinger, Massachusetts Mutual, Decatur, Ill.; Clayton T. Knox, Mutual of New York, Buffalo; Patrick E. Koenigsberger, Mutual of New York, Beverly Hills, Cal.; Daniel P. Kreer, Fidelity Mutual, Chicago; Walker Laramore, Penn Mutual, Miami; Edward Y. H. Leong, Standard Life of Indiana, Honolulu; Madison M. Letts, New York Life, Leavenworth, Kan.; Samuel Leveston, Connecticut General, Hartford; Alfred J. Lewallen, Mutual Benefit Life, Miami; Edmund W. Lienke, Connecticut General, Minneapolis; H. R. Lindenberger, Ohio National, York, Pa.; Eugene T. Lothgren, Northwestern Mutual, Providence.

Elliott McClung, Southwestern Life, Dallas; Harry R. McCoy, Penn Mutual, Philadelphia; Tom McCreary, New York Life, San Francisco; Donald C. McCune, Fidelity Mutual, Pittsburgh; Louis C. McGann, National Guardian, Madison, Wis.; Kenneth L. McGooden, Northwestern Mutual, McCook, Neb.; Louis E. Madden, Kansas City Life, Milwaukee; Henry L. Maltenfort, Northwestern Mutual, Chicago; David Marks Jr., New England Life, New York City; Wilbur S. Marshall, Northwestern Mutual, Colorado Springs; Stanley E. Martin, State Mutual, Dallas; Louis Matusoff, Kansas City Life, Dayton, O.; Gordon C. Maxson, Penn Mutual, San Leandro, Cal.; Robert L. Maxwell, Southwestern Life, Dallas; J. Dudley Miller, Mutual of New York, Chicago; Richard A. Mills, New England Life, San Diego; John Mulock, Mutual Benefit Life, Belleair, Fla.; D. L. Myrick, Great Southern, Lake Charles, La.

Donald C. Newton, Connecticut Mutual, Syracuse; Frederick B. Northrup Jr., Mutual Benefit Life, Syracuse; A. Jack Nussbaum, Massachusetts Mutual, Milwaukee; Robert E. Olmsted, Mutual Benefit Life, Providence; Alfred J. Ostheimer 3rd, Northwestern Mutual, Philadelphia; Harold S. Parsons, Travelers, Los Angeles; Harry S. Peril, New York Life, Harrisburg; William L. Porte, Mutual of New York, Colorado Springs; A. V. Pritchartt, Connecticut Mutual, Memphis; Nelo E. Rhoton, New York Life, Flagstaff, Ariz.; E. Price Ripley, National Life of Vermont, Roanoke; C. Rigdon Robb, Northwestern Mutual, Chicago; Lester A. Rosen, Union Central, Memphis; Leon I. Rothschild, Northwestern Mutual, Beverly Hills, Cal.

Robert M. Saville, Massachusetts Mutual, Newark; William J. Schloen Jr., Manhattan Life, Beverly Hills, Cal.; Max Seigler, Great-West Life, Montreal; Clifford A. Seys, Northwestern Mutual, Grand Rapids; Johnny S. Sierra, Great Southern, Dallas; Roy D. Simon, Penn Mutual, Chicago; Clarence E. Smith, Northwestern Mutual, Chicago; Emanuel Spack, New York Life, Kansas City; William L. Spencer, Equitable Society, Youngstown, O.; Kenneth Spetner, Travelers, St. Louis; Archibald D. Stewart, London Life, Ottawa; S. Roy Swenson, Provident Mutual, New York City.

Harry E. Thoms Jr., Philadelphia Life, Norristown, Pa.; Clarence Edwin Tobias Jr., Provident Mutual, Norristown, Pa.; John O. Todd, Northwestern Mutual, Chicago; Vic Vybiral, New York Life, New Orleans; Norman Warren, New York Life, New York City; David Warshawsky, Lincoln National, Cleveland; Roy L. Weid, New England Life, Sacramento; George J. Weiner, New York Life, Wilmington, Del.; Herbert E. Whalen Jr., Northwestern Mutual, Dayton, O.; Jimmie M. Whitmire, Southland Life, Wichita Falls, Tex.; Russell C. Whitney, Connecticut Mutual, Chicago; Abraham J. Wohlreich, Bankers National, East Orange, N.J.; Harry K. Wolkoff, Northwestern National, St. Paul.

Life Members

M. Lee Alberts, Equitable Society, Chicago; Ferrel M. Bean, John Hancock, Chicago; David G. Berry, independent, Miami; Philip V. Birmingham, Phoenix Mutual, St. Paul; William G. Booker, Crown Life, Toronto; Daniel M. Brigham, Northwestern Mutual, Los Angeles; Nathan H. Burgheim, Northwestern Mutual, St. Louis; William H. Burns, independent, Philadelphia; Guy S. Burtis, Connecticut General, Chicago; Max S. Caldwell, Connecticut Mutual, Salt Lake City; Earl J. Christy, Occidental of California, Dearborn; Edward S. Churchill, Northwestern Mutual, Hartford; Q. Rice Cowman, Equitable of Iowa, Harrisburg; Lowell D. Crandon, New England Life, Newark; Frank Crum, New York Life, Detroit; Michael P. D'Addabbo, Connecticut General, New Britain, Conn.; Earle Y. Duncanson, Connecticut General, New York City; David B. Fluegelman, Connecticut Mutual, New York City; Albert G. Foster Jr., General American, Atlanta; Irving Freed, New York Life, New York City.

Bruce W. Gilmore, Northwestern Mutual, Grand Rapids; Mrs. Ethel E. Gwinn, independent, River Forest, Ill.; Carl E. Harris, Equitable Society, Chicago; Roney A. Hilliard, Lincoln National, Asheville, N.C.; J. Frank Holmes, Northwestern Mutual, Indianapolis; Hugo K. L. Hurrelbrinck Jr., Northwestern Mutual, Baltimore; Dean Y. Ishii, Prudential, Kapaa, Kauai, Hawaii; Morse N. Kaplan, Prudential, Atlanta; Sol Kolodny, Franklin Life, Cincinnati; E. H. Lattimer, Northwestern Mutual, Wausau, Wis.; Thomas A. Lauer, Northwestern Mutual, Joliet, Ill.; J. Edgar Nelson, California-Western States, Los Angeles; Ray S. Peters, Jefferson Standard, Denver; Russell L. Powell, Northwestern Mutual, Philadelphia; Robert K. Powers, Massachusetts Mutual, Spokane; Wilbur S. Pratt, Northwestern Mutual, Hartford; Lloyd Ramsey, Mutual Benefit Life, Memphis; Carl J. Rennekamp, Aid Association for Lutherans, Aurora, Ill.; Hyman Rogal, Lincoln National, Pittsburgh; Adam Rosenthal,

(CONTINUED ON PAGE 21)

Continued Public Confidence in Private A&S Reflected in Mutual of Omaha's 1955 Results

By JOHN C. BURRIDGE

The 1955 financial statement of Mutual Benefit H. & A., showing assets of $165,281,652, surplus to policyholders of $62,509,069, and net premiums of $156,121,224, reflects a year of record progress. Premiums increased $19,707,288, or 14.5%, the greatest dollar gain in the company's history, not only surpassing an announced goal of $155 million, but demonstrating that the federal trade commission complaints against A&S insurer advertising have had little, if any, effect in destroying public confidence in the business.

During 1955, Mutual of Omaha solicited the opinion of all of its policyholders, except group insured, on the question of their reaction to the company's over-all service, receiving a 96.49% vote of approval from the 278,000 who replied. This survey of policyholder opinion is characterized by President V. J. Skutt as the most important action of the company in 1955. It was a result of the FTC citations against the A&S insurers. While the companies have denied the charges, Mutual of Omaha took the step of finding out from the people most concerned, its policyholders, what they felt about the company's operations.

The Mutual of Omaha survey was made after the public had been deluged with anti-voluntary A&S propaganda in magazines, newspapers and from the FTC. With at least one strike against it, the company might have anticipated the worst, yet a surprising 18% of those queried replied to the survey, and in such overwhelmingly favorable manner as to offer the most substantial sort of encouragement for the future of private insurance.

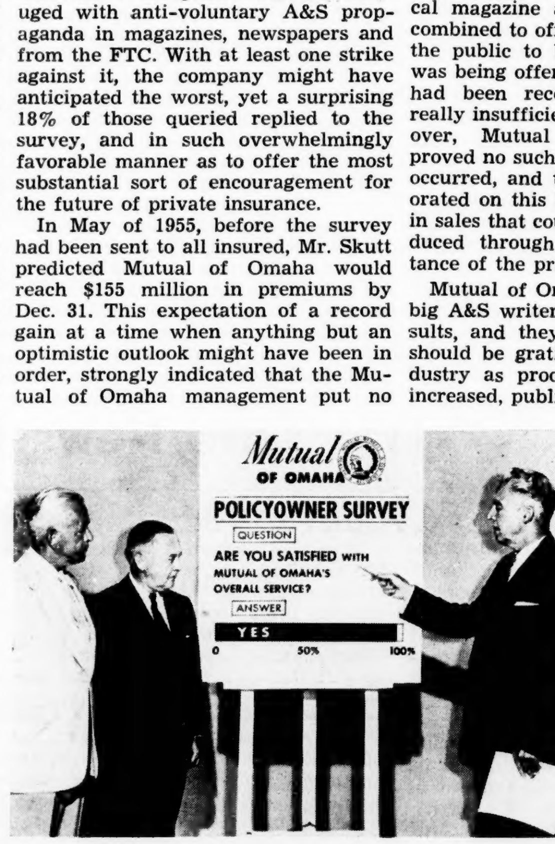
In May of 1955, before the survey had been sent to all insured, Mr. Skutt predicted Mutual of Omaha would reach $155 million in premiums by Dec. 31. This expectation of a record gain at a time when anything but an optimistic outlook might have been in order, strongly indicated that the Mutual of Omaha management put no credence in the FTC charges, their effect, or the implications emanating from other government sources that the public had lost confidence in the private A&S business.

As the largest writer of individual A&S business, Mutual of Omaha's 1955 experience offers an excellent guide to the progress, under the handicap of adverse publicity, that the business has achieved in the last 12 months. The 1955 record shows an excellent gain in premiums, the normal yardstick of success, but to this statistical accomplishment must be added the highly significant showing of policyholder satisfaction with the service rendered. Most of those questioned had been claimants at one time or other, so the 96½% affirmative response took in not only those who felt they had good coverage and good service, but those who knew it from experience.

An interesting sidelight of the survey was the fact that a large percentage of present policyholders said they first learned of Mutual of Omaha coverages from other satisfied policyholders.

It could have been said, at the beginning of 1955, that this would be a difficult year for the A&S business. The FTC citations, the statements from government leaders that the business was doing an inadequate job, and critical magazine and newspaper articles combined to offer every inducement to the public to be unhappy with what was being offered, or to feel that what had been received as benefits was really insufficient. Before the year was over, Mutual of Omaha's survey proved no such change of thinking had occurred, and the annual report elaborated on this by showing an increase in sales that could only have been produced through an undoubted acceptance of the private insurance idea.

Mutual of Omaha is the first of the big A&S writers to report its 1955 results, and they are of a nature that should be gratifying to the entire industry as proof of continued, if not increased, public support.



Dr. Charles W. Mayo of the Mayo Clinic, William A. Patterson, president of United Air Lines, both directors of Mutual of Omaha, and President V. J. Skutt of Mutual of Omaha review results of the policyholder survey.

Continental Companies

GENERAL OFFICES: CHICAGO ILLINOIS

ANNUAL FINANCIAL STATEMENT

Continental Casualty Company
and its Subsidiary, Transportation Insurance Company
Consolidated Financial Statement—December 31, 1955

ASSETS

Cash	$ 22,247,189
United States Government Obligations	55,084,570
Canadian Government Obligations	6,003,087
Other Public Bonds	82,880,667
Public Utility Bonds	538,200
Miscellaneous Bonds	3,252,701
Preferred Stocks	7,118,711
Stocks of Associated Life Insurance Companies	15,148,140
Other Stocks	57,277,087
Administrative Office Buildings	11,185,150
Net Premiums in Course of Collection (Not over 90 days past due)	11,176,782
Accrued Interest and Rents	1,197,082
Other Assets	3,267,821
ADMITTED ASSETS	$276,377,187

LIABILITIES

Unearned Premium Reserve		$ 65,538,885
Reserve for Losses		86,273,723
Reserve for Loss Adjustment Expense		7,121,000
Reserve for United States and Canadian Income Taxes		6,468,647
Reserve for Other Taxes		4,221,531
Miscellaneous Liabilities		3,726,941
Minority Shareholders' Interest in Subsidiary		342
Total Liabilities		$173,351,069
General Contingency Reserve	$ 40,538,145	
Capital (Shares of $5 Par Value)	10,000,000	
Surplus	52,487,973	
Surplus to Policyholders		$103,026,118
TOTAL		$276,377,187

Continental Assurance Company
Financial Statement—December 31, 1955

ASSETS

Cash	$ 7,438,102
United States Government Obligations	27,511,266
Canadian Government Obligations	811,930
Other Public Bonds	14,355,332
Public Utility Bonds	66,094,812
Railroad Bonds and Equipment Trust Certificates	18,913,929
Miscellaneous Bonds	76,850,014
Preferred Stocks	8,019,065
Other Stocks	21,260,645
Mortgage Loans	99,107,076
Policy Loans	10,149,662
Home Office Building	2,762,798
Other Real Estate Acquired for Investment	24,159,900
Net Deferred and Uncollected Premiums	14,361,865
Accrued Interest and Rents and Other Admitted Assets	2,906,572
ADMITTED ASSETS	$394,702,968

LIABILITIES

Policy Reserves		$284,642,910
Pending Claim Reserve		7,579,874
Premiums Paid in Advance		25,143,279
Additional Funds Held for Policyholders		16,435,249
Reserve for Taxes		2,938,044
Fund for Reinsured Fraternal Society		6,666,798
Miscellaneous Liabilities		5,000,749
Security Valuation Reserve		8,371,255
Total Liabilities		$356,778,158
Group Contingency Reserve	$ 3,470,000	
Capital (Shares of $5 Par Value)	6,500,000	
Surplus	27,954,810	
Surplus to Policyholders		$ 37,924,810
TOTAL		$394,702,968

All securities are carried in accordance with the requirements of the National Association of Insurance Commissioners as follows: eligible bonds at amortized values; insurance stocks at pro rata share of capital and surplus; all other securities at quotations prescribed by the Association.

Consolidated Net Premiums written during 1955	$196,403,699
Increase over 1954	32,476,854

Insurance in force as of December 31, 1955 ("Paid-for" basis)	$3,727,726,470
Increase over 1954	$ 600,970,256

DIRECTORS

†RAYMOND H. BELKNAP, *Vice President*
WM. McCORMICK BLAIR, *William Blair & Company*
WILLARD N. BOYDEN, *Vice President*
EDISON DICK, *Chairman, Executive Committee, A. B. Dick Company*
†HARRY W. DINGMAN, *Vice President*
FRANK R. ELLIOTT, *Banker*
BOYD N. EVERETT, *Vice President and Treasurer*
JOHN A. HENRY, *Vice President, Secretary, and General Counsel*
ARNOLD B. KELLER, *Senior Consultant and Director, International Harvester Company*
HOMER J. LIVINGSTON, *President, The First National Bank of Chicago*
*JAMES J. MERTZ, *Vice President and Comptroller*
*LOUIS C. MORRELL, *Vice President*
HOWARD C. REEDER, *Executive Vice President*
J. M. SMITH, *First Vice President*
JOHN E. STIPP, *President, Federal Home Loan Bank of Chicago*
R. DOUGLAS STUART, *Director, The Quaker Oats Company*
STUART J. TEMPLETON, *Wilson & McIlvaine*
ROY TUCHBREITER, *President*
KENNETH V. ZWIENER, *President, Harris Trust and Savings Bank*

*Continental Casualty Company only   †Continental Assurance Company only

The detailed Annual Reports of the Continental Companies are being prepared. They will be furnished upon request.

Casualty Insurance   Accident—Sickness—Hospital Expense   Fire and Allied Lines   Life Insurance
Fidelity and Surety Bonds   Domestic and Foreign Reinsurance

CONTINENTAL COMPANIES

One of America's Great Insurance Institutions

CONTINENTAL COMPANIES BUILDING • 310 SOUTH MICHIGAN AVENUE, CHICAGO 4, ILLINOIS

'Best Year Ever' Popular Phrase in Recaps of 1955

AETNA LIFE

Aetna Life in 1955 had its biggest year with sales of $2,400,000,000. Ordinary sales increased $85 million to $480 million. New group life and employe insurance plans, including $628 million net increases on old policies, amounted to $1,968,000,000.

A record gain of $1,853,000,000 of in force brought the total to $16,655,-000,000. Ordinary in force increased $206 million to $3,502,000,000, and group rose $1,647,000,000 to $13,153,-000,000.

Assets increased $232 million to a new high of $2,850,821,085. Of these assets, approximately 61% were in bonds, nearly 25% in mortgages, and about 7% in stocks, including stocks of affiliated companies. Surplus is $149,418,919, up $22,903,531. Contingency reserve and security valuation reserve gained $15,813,766 and now stand at 118,016,728.

CONNECTICUT MUTUAL

Connecticut Mutual Life sales in 1955 totaled $405 million, up 20%, while average policy size rose to a record $8,741, up $1,223.

Insurance in force climbed to $3.12 billion, up a record $257 million. Forty percent of new insurance sold was purchased by old policyholders, up 3%.

Total benefit payments were $94.6 million and an additional $56.8 million was added to reserves and other funds for the benefit of policyholders. Payments to living policyholders totaled $51 million, including a record dividend allocation of $21.9 million. Death claims amounted to $17.5 million.

Income in 1955 reached a new high of $187 million. Premium income accounted for 57% of the total, including $88 million in renewal premiums and $18 million in first-year premiums. Investment income totaled $47 million.

New investments in 1955 totaled $164.5 million at a gross rate of return of 4.35%. This helped raise the gross return on total invested assets to 4.23%, up .03%. After provision for increased federal income taxes the net return was 3.58%, decrease .03%.

Total assets reached $1.18 billion. Bond holdings, including government, railroad, utility and industrial issues, were 40% of the total, while mortgage loans were 38.5% and holdings of preferred and common stocks were 11.9%.

The company added $16.7 million contingency reserves and unassigned surplus.

CONTINENTAL ASSURANCE

Continental Assurance had its greatest growth year in 1955, insurance in force at the year end totaling $3,727,-726,470, an increase of $600,970,256. New business amounted to $461,300,-642.

Assets increased $56,308,136 to total $394,702,968. Surplus of $37,924,810 was a gain of $6,450,406. The net gain from insurance operations was $6,021,-420 as against $6,376,053 in 1954.

CROWN LIFE

Crown Life sales in 1955 totaled $251,787,171, up 27%, bringing total in force to $1,444,852,428. The sales consisted of $192,275,716 ordinary, $42,-920,531 group, $5,845,812 ordinary annuities, and $10,754,112 group annuities.

Income totaling $47,381,613 consisted of $38,324,318 in premiums, $8,527,-969 in investment income, and $529,-326 net profit on sale of securities and exchange.

Policy payments and credits totaling $33,324,533 consisted of $5,087,815 death benefits, $1,427,335 disability benefits, $998,810 annuities, $7,353,184 payments on maturity or surrender of policies, $2,303,124 dividends to policyholders and increase in policyholders' dividend reserve, $458,509 interest credited to amounts on deposit, and $15,695,756 required to provide for payments guaranteed under all policies in force.

Taxes, other than on investments and real estate, were $1,075,500. Agency and administrative expenses were $9,841,110. Adjustment of statement of value of assets was $345,133. Dividends to shareholders amounted to $132,625. Increase in shareholders' surplus was $181,717 and increase in general surplus was $2,480,995.

Assets totaled $219,848,571, up 10%. Government and municipal bonds accounted for 22%, down 4.5%, while mortgages on real estate were 37.5%, up 5%. The gross rate of interest realized was 4.63% and the net rate was 4.24%.

EQUITABLE LIFE, IOWA

Recording its largest annual production, Equitable Life of Iowa in 1955 had new business of $140,589,044, an increase of $9,869,860. Life insurance in force rose from $1,362,953,372 to $1,-428,226,264.

Assets increased $27,592,489 to $562,-177,404. Surplus gained $2,181,662, and along with capital totaled $25,869,380, a new high. Almost three-fourths of total benefit payments of $32,653,081 went to living policyholders.

GUARDIAN LIFE

Guardian Life sales of life in 1955 totaled $158,877,000, up 13%, and A&S premiums amounted to $797,000, up 140%, for new records. Insurance in force totals $1,274,555,000 and A&S premiums in force are $1,271,000. It was the company's third year in the A&S field.

Net earnings were $8,621,000, a slight increase. Benefit payments were $27,-052,000, up 14.3%.

Investment income was $14,513,000, up $1,103,000. Net return on invested assets was 3.67%, up .11%. Operating expenses were $10,849,000, including provision for federal and state taxes of more than $1.8 million.

From net earnings $6.2 million, up 19%, was set aside for 1956 dividends. Added to unassigned surplus was $2,-079,000, raising surplus to $27,913,000 or 7.5% of liabilities.

JEFFERSON NATIONAL LIFE

Jefferson National Life experienced record growth in 1955 with life sales of $30,124,417, an increase of 24% over 1954. In force climbed from $110,-367,061 to $131,334,871.

During the year the company entered the pension trust and group fields and opened new agencies in a number of metropolitan areas including Chicago, Detroit, Cincinnati and Pittsburgh.

JEFFERSON STANDARD

Jefferson Standard Life sales in 1955 totaled $209,130,867, up 26%, for its best year.

Insurance in force rose by $127,003,-534 to $1,451,444,047. Assets increased by $37 million to $430 million.

The net rate earned in invested assets climbed to 4.48%, up .07%. President Howard Holderness predicted the company will continue to lead all major life companies in the U. S. in this respect, as it has for 18 years.

At the year's end, capital was $20 million, contingency reserve $6 million and unassigned surplus $32 million.

The Charlotte agency led in 1955 sales and Greensboro was runnerup.

The board has declared the regular quarterly dividend of 25 cents a share plus an extra dividend of 25 cents, payable Feb. 3 to stockholders of record Jan. 30.

Salaried employes received a 10% bonus for 1955.

MANUFACTURERS LIFE

Manufacturers Life sales in 1955 totaled a record $301 million, up $50 million. Sales in the U. S. accounted for $106 million, up 41%.

Insurance in force rose to $2.112 billion, consisting of $1.860 billion ordinary, $125 million group and $127 million deferred annuities.

Assets totaled $652 million, increase $62 million. The net interest rate in investments was 4.47%, up .08%. Paydinary Sales increased $85 million to lion. The contingency reserve and surplus amounted to $43 million.

MASSACHUSETTS MUTUAL

Massachusetts Mutual's 1955 sales of ordinary exceeded a half billion dollars for the first time and assets rose $111 million.

Total life insurance delivered during 1955 amounted to $730,108,000, up $86,-254,000 and more than double the new business reported five years ago. Ordinary sales of $558,925,000 were up 27.6%, well above the average increase for life companies generally. Group production totaled $171,183,000.

New highs were established in each of the 12 months in ordinary sales. Eighty-four of the 93 general agencies delivered more new business than in 1954, and 89 sold over a million of insurance during the year. The leading agency was Yates-Wood, Los Angeles, with $30,533,000 of production, followed by the Simon agency, New York City.

Total insurance in force Dec. 31 was $4,892,794,000. Ordinary amounted to $4,138,915,000, up $316,476,000. Group in force increased $186,384,000 to $753,879,000.

Assets are $1,883,040,000, an increase of $111,187,000. Unassigned surplus stands at $107,613,000, up $5,847,-000. In addition, $49,580,000 was held in special contingency reserves for fluctuation in the value of assets. This rose nearly $11 million in the year.

Total income for 1955 was $266,747,-000, up more than $21 million. Payments to policyholders and beneficiaries amounted to $140,358,000. Dividends totaled $27,092,000, up $4,720,-000. Taxes were $6.8 million. The net yield on total assets was 3.42%, as against 3.35% in 1954. Mortality was a record low.

MIDLAND MUTUAL LIFE

Midland Mutual Life, which in 1956 is observing its golden anniversary, last year established records in virtu-

(CONTINUED ON PAGE 22)

Life Sales in 1955 Rise 7% to Record $48,777,000,000

Life sales in 1955 totaled a record $48,777,000,000, up $3,294,000,000 or 7%, according to LIAMA. Excluding from 1954 and 1955 the federal employes group life case, last year's sales were up $8,107,000,000 or 21%.

Ordinary sales in 1955 totaled $30,-948,000,000, up 20%. Group sales totaled $11,202,000,000, down 16% with the federal group included but up 42% with that group excluded. Industrial sales totaled $6,627,000,000, up 2%.

Life sales in December totaled $5,-857,000,000, up 41%, and ran the 12-month total beyond preliminary estimates.

Ordinary sales in December totaled $3,155,000,000, up 26%, for the largest single month's total on record. Group life sales totaled $2,191,000,000, up 92%, representing new groups only and not additions under contracts already in force. Industrial sales totaled $511 million, up 3%.

The above figures are exclusive of credit policies.

Among large U.S. cities, Detroit had the greatest rate of increase in ordinary life sales in the 12-month period with 31%. Detroit and Los Angeles tied for the greatest rate of increase in December with 38%. Los Angeles' gain for the full year was 26%.

Other cities and their percentage increases in December and the 12-month period, respectively, were: Boston, 4 and 26; Chicago, 22 and 22; Cleveland, 7 and 30; New York City, 11 and 20; Philadelphia, 6 and 19; and St. Louis, 22 and 24.

Midland Mutual Names Sherer Vice-President

Charles E. Sherer, director of agencies of Midland Mutual Life since 1954, has been named vice-president and director of agencies.

C. E. Sherer

With the company for 20 years, Mr. Sherer served in both field and home office positions and for 12 years was general agent at Marion, O. He is a CLU.

Dale E. Miller has been appointed assistant director of agencies and Samuel E. Stone was advanced from supervisor of policyowners' service to assistant secretary. Mr. Miller has been in life insurance for 21 years, since 1952 as assistant manager of Mutual Life of New York at Columbus, O. He is a CLU.

Lloyd Heads Union Central

(CONTINUED FROM PAGE 1)

barked upon an aggressive sales policy. "We have invaded the market with progressively designed new merchandise, with new rates, new dividend schedules, and new methods. We have reorganized our sales staff at the home office and we are revitalizing our field forces throughout the country."

Mr. Lloyd also reported the company had increased its standard underwriting retention on any one life from $200,000 to $400,000.

Graduate School of Insurance Administration Second Seminar for Executives Starts May 20

The graduate School of Insurance Administration will give its second seminar in life company management at the Lake Placid Club, Lake Placid, N. Y., May 20-June 15. J. Owen Stalson, director of the school, said the 1956 seminar will repeat the program which proved so successful in 1955, namely, intensive study, lectures by outstanding life company executives and professional teachers from Columbia and Harvard universities, and discussion, both formal and informal.

J. Owen Stalson

"The seminar," said Mr. Stalson, "won the unanimous and enthusiastic praise of its student group, and every company which sent one or more students has declared its intention of sending other executives to later seminars—in fact half of the companies represented at the first seminar have made reservations for places in each of the next five annual seminars in life company management to be offered by the school. A number of reservations for places in the 1956 seminar have also been made by companies which were not represented at the first seminar, but there are still a few vacancies remaining for the limited enrollment to be accepted for the May 1956 seminar."

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Of the 1955 seminar, Travis T. Wallace, president of Great American Reserve of Dallas, wrote Mr. Stalson: "The academic and practical knowledge of organization and administration presented by a variety of outstanding teachers, the study of texts and related materials, the case method of study, the give and take of discussion, both in and out of the classroom, and the thinking and perspective made possible by the freedom from routine and business interruptions—all of these factors, taken together, made this one of the most important months of my life . . . This school can in my opinion be an invaluable tool in the management development program of a life insurance company."

Comments by other members of the student group were in much the same vein.

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The school's initial seminar concentrated on the over-all, company-wide aspects of management. There was no attempt to train men for specialties. The goal was, instead, to provide a survey of major departments—their tasks, responsibilities, personnel factors, and flow of operations—but only as a means for making a more intelligent study of department interrelationships and the basic management and administrative problems of the company as a whole. Top management responsibilities for long-range planning, organization, management development, control measures, and coordination were emphasized. An intensive review of basic principles of management was given at the start of the seminar, a detailed study of administrative techniques was presented later; there were assigned readings, informative lectures, and discussions to provide practice in problem identification, analysis, and solution. Practical solutions to practical problems took first place in all discussions.

The Graduate School of Business Administration was organized at Greenwich, Conn., by Mr. Stalson, who has a doctor's degree from the Harvard school of business administration. Its purpose is to provide advanced management seminars for life insurance executives of the policy-making and higher administrative levels. Its program developed out of research conducted by the life insurance management research center and the course in life company management problems given at Columbia university. Some 50 executives from a dozen life companies in the New York City area attended the courses given there from 1951 to 1954 by Mr. Stalson while he was director of the center and an associate in insurance at the graduate school of business of the university.

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Students at the school's seminar in life company management at Lake Placid last fall were Henry H. Bellinger, assistant general counsel Metropolitan Life; John A. Foran, 3rd vice-president Metropolitan Life; John J. Gill, assistant vice-president Metropolitan Life; Francis W. Hatch Jr., public relations assistant New England Life; John Reginald Hoile, president Life of South Carolina; Merrill W. Kidman, superintendent of agencies John Hancock; Vaughn V. Moore, president Security National Life; Travis T. Wallace, president Great American Reserve Life; Arthur G. Weaver, director of group research John Hancock.

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Topics and the faculty that taught them included: approach to top management, William H. Newman, Samual Bronfman professor of democratic business enterprise, graduate school of business, Columbia university; agency administration, Raymond C. Johnson, vice-president in charge of agency administration New York Life; processing new business and policyholders services, E. J. Moorhead, actuary New England Life; methods and procedures, W. R. Cunningham, assistant to the president Life & Casualty; investment policies and administration, George T. Conklin Jr., vice-president Guardian Life; human relations, J. R. Surface, professor business administration Harvard university; group projects by members of the seminar; organization of a life insurance company, Harold J. Cummings, president Minnesota Mutual; agency problems, Vincent B. Coffin, senior vice-president Connecticut Mutual; personal counselling, Dr. Lydia G. Giberson, personal adviser, Metropolitan Life; agency research, Charles J. Zimmerman, managing director LIAMA; investment problems, Oliver M. Whipple, vice-president Gulf Life; personnel administration, Albert N. Webster, 2nd vice-president and secretary Mutual Benefit Life.

Schmidt to Republic Nat'l as Group V-P, Sales Manager

Jack Schmidt has joined Republic National Life as vice-president and sales manager of the group department.

Starting in the group field with Washington National in 1939, he since has served as group representative, group supervisor and agency supervisor. He was named to direct group sales in all states west of the Mississippi river in 1952.

Urges Better Placing, Training, Supervision as Aids in Still-Tight Personnel Situation

One way of easing the still-tight personnel situation is to do a better job of placing, training, and supervising present employes and those that are taken on, according to Guy Fergason, Chicago insurance personnel specialist.

It is still extremely difficult to get good people at any level and the situation shows no sign of improving, Mr. Fergason observed. Most companies are selecting new people carefully, perhaps more carefully than they need to, but then they lose a good deal of the value of this selectivity because they don't do a better job from there on, according to Mr. Fergason. He estimates that it should be possible, with proper supervision, to raise the efficiency of the general run of employes as much as 25%.

In supervising employes who are doing routine types of work, it is necessary for the supervisor to do more than just teach the employe how to do it. A girl who is typing up policies, for example, should be not only told how to do the job but how many policies she should write a day. Most employes like to turn in a good job but they need to be told in specific terms what they are supposed to do and when they are supposed to get it done, Mr. Fergason says.

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Moreover, an employe needs plenty of praise for good work so that the criticism, when necessary, won't seem to be the only comment that the supervisor has about the employe's work.

A big difficulty, according to Mr. Fergason, is that many companies believe they have good supervision, but actually haven't. Years of experience don't make a supervisor competent if people don't like him and won't do their best work for him.

"It's like curing an alcoholic,' said Mr. Fergason. "The first step is to recognize that you've got a problem, and very few in management will recognize that. For example, a man in a supervisory or managerial job may have fine qualifications but he can't talk without bragging about himself. He alienates the people who are working for him. Sometimes such a man's immediate superior knows what is the trouble but perhaps the president was the one who hired him and is blind to his faults."

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Giving credit where it is due, particularly sharing credit that the superior might be tempted to claim for himself, is extremely important in maintaining employe morale and getting people to do their best, Mr. Fergason emphasized.

Companies with the lowest turnover are the ones with best supervision, he said, adding that if a company really wants to judge itself it should get hold of industry averages for turnover and then concentrate on doing much better than these averages, which are usually not particularly creditable.

As reasons for believing that the personnel situation is not going to get any better Mr. Fergason pointed out that there are still about 2.6 million civilian government employes. Most of these are in clerical jobs. Many jobs have been added in the economy, bringing the total to some 64 million for all classes.

Many more men are making enough money so that their wives don't have to work. Many daughters are going to school at ages at which they would formerly have gone to work. Many more boys are going to college than in former years. The army is keeping large numbers out of civilian jobs. In being selective about hiring, a company can go too far, Mr. Fergason warned. After all, there is only one president's job in each company, and there is no reason why everyone who is hired should be presidential timber. He estimates that only 15% of the people who are taken on should be of executive caliber. The rest have limited possibilities but with good supervision a good company can make the most of their capabilities.

19 Attend Dallas Course

Nineteen agency officers representing 16 life companies attended a special agency training school conducted by Republic National Life in Dallas for reinsurance clients.

Instructors, all of Republic National, included Lyman E. King, asistant vice-president; Charles Walters, assistant training director; Allen Cureton, A&S sales director, and James Galloway, agency supervisor.

Pru Names Dr. Ganot Medical Director

Prudential has promoted Dr. F. Irving Ganot to medical director to succeed Dr. Henry B. Kirkland who recently was appointed chief medical director. Dr. Ganot joined Prudential in 1921, advancing to assistant medical director in 1929 and associate medical director in 1948.

Guardian Life has appointed Bernard H. Hilton district manager in Palmyra, N.Y., of the Simon agency at Rochester.

Penn Mutual Names Thomas 2nd V-P, Loesche Treasurer

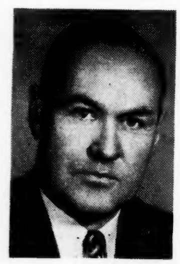
Penn Mutual Life has made these promotions:

Allen C. Thomas Jr. becomes 2nd vice-president. He joined the home office law department in 1942, was named assistant counsel three years later and was appointed assistant manager of mortgage loans in 1947.

William H. Loesche Jr. becomes treasurer. He joined the company as assistant counsel in 1951 and was appointed assistant to the vice-president last year.

C. Clothier Jones Jr. becomes supervisor of applications. He joined the company in 1940 and was appointed associate supervisor of applications in 1951.

Brian L. Daly becomes associate actuary. He joined the actuarial department in 1941 and was named assistant actuary in 1951.


Allen C. Thomas Jr.


Wm. H. Loesche Jr.

Robert D. Carpenter becomes assistant actuary. He has been in the actuarial department since 1950.

Paul M. Ingersoll becomes assistant secretary. He joined the Lee agency at Philadelphia in 1953 and entered the general agents in-training group the following year.

John D. Schaffner becomes mortgage loan appraiser. He joined the mortgage department in 1926.

LeRoy E. Varner becomes manager of the engineering division. He joined the company in 1932 and has been consultant for company-owned real estate and in charge of engineering work for the home office building.

Electronics Conference to Hear Insurance Men

Electronics at work in business will be the theme of the American Management Assn. annual electronics conference and exhibit Feb. 27-29 at Hotel Commodore, New York City.

Among the speakers will be Wesley S. Bagby, comptroller of Pacific Mutual Life, who will discuss the human side of electronics; Albert C. Vanselow, assistant vice-president of Franklin Life, who will tell about lessons learned from computer installation; and Robert E. Slater, vice-president and controller of John Hancock, who will take up large-scale computers. Fourteen electronic equipment manufacturers will have exhibits.

Provident Life, N.D., Sales Gain 20% in '55

Provident Life of North Dakota had new business in 1955 of $27,553,622, an increase of 20%. Insurance gained $14,449,142 to total $159,450,094. The average size policy was $5,028, up 27%.

Manhattan Life Parley for GAs

Eleven general agents, most of whom recently joined Manhattan Life, attended a 3-day conference at the home office. President Thomas E. Lovejoy Jr. headed the list of 14 speakers.

Phila. Life Conference

Huebner Predicts More Realistic Appreciation of Insurance by Public

Philadelphia Life held a 50th anniversary educational conference for 150 agents for three days at Atlantic City.


S. S. Huebner


William Elliott

Dr. S. S. Huebner, president emeritus of American College, predicted a very realistic appreciation of life insurance by the public in the next 25 years, with life men motivating the public mentally, not emotionally.

President William Elliott forecast greater sales records in the next 10 years. Although company sales were up 20% in 1955, new tools will enable agents to make greater gains. The public is beginning to understand through the medium of advertising by Institute of Life Insurance and banking institutions and is in a receptive frame of mind.

A new guaranteed rate preferred ordinary life policy, called Plico select, was introduced. It is issued at $10,000 or more. A new pocket-size rate book was presented. A special book has been designed for brokers.

Joseph E. Boettner, vice-president, served as meeting chairman and helped present new sales material. Kenneth K. Walch, manager of the new group department, presented new sales aids.

Elected co-chairmen of General Agents' Assn. were Charles H. Smolens, Philadelphia, Russel G. Gohn, York, Pa., Harry E. Thoms Jr., Norristown, Pa., Ira F. Weisbart, Jersey City, N.J., and Paul H. Marsteller, Bethlehem, Pa.

Nevin A. J. Loose, Lancaster, Pa., and Alfred H. Johnson, Butler, N.J., were elected co-chairmen of Regional Directors' Assn.

Roy Succeeds Stone as Aetna GA in St. Paul

Walter F. Stone retired Feb. 1 as general agent of Aetna Life at St. Paul. He will be succeeded by F. E. Roy, general agent at Duluth.

Robert E. Hannon has been named assistant general agent at Kansas City.

Mr. Stone, who will become general agent emeritus and devote full time to personal clients, has headed the agency since 1929. A CLU, he joined the company in 1926 at Los Angeles and later served a year at the home office.

Mr. Roy, who joined the company as cashier at Duluth in 1934, was appointed general agent at Fargo, N.D., in 1947 and at Duluth in 1949.

Mr. Hannon practiced law for several years before joining the company at Chicago in 1953.

New Courses at Conn. University

New courses offered by University of Connecticut's Hartford college of insurance will include fidelity and surety bonds, fundamentals of management and trusts and estates, and insurance marketing. A program of special courses in fire and casualty insurance, sponsored by Hartford insurance companies, is also being offered.

Business Favors N. Y. Adoption of NAIC Ad Code

NEW YORK—Representatives of the business who appeared at the hearing held by New York insurance department generally favored adoption of the A&S advertising code set up by National Assn. of Insurance Commissioners and a preamble developed by the department. Most stated it should be adopted as soon as possible.

The major change, which will be made as a result of the hearing, is a separation of insurers and producers. C. F. J. Harrington, executive secretary of National Assn. of Casualty Agents, and George H. Ort, executive vice-president of Insurance Brokers Assn. of New York, took exception to the section of the code which defines insurer, for the purpose of the rules, as including any individual agent, broker, corporation, association, etc.

Superintendent Holz suggested that the definition be rewritten to place brokers and agents in a category by themselves. Their advertising would be, of course, regulated in the same way as the insurers.

Mr. Ort requested that the brokers association be included in any conference held to discuss the change to the code.

Moses G. Hubbard, general counsel of Commercial Travelers of Utica, N. Y., opposed the code. He said that from the standpoint of enforcement of good advertising practices, the code was not needed in New York, since they are already enforced in the state. He also objected to the inclusion of form letters in the definition of advertising, the requirement for stating exceptions in policies in advertising, and the use of the word "only" when a company states that it is "licensed only in state A" or is not "licensed in state B." Several others objected to the use of the word "only" on grounds that it might be misleading, and readers might think that the company was not able to get a license in other states.

In the listing of coverage exceptions in advertising, Mr. Hubbard said he thought the code ought to require only the listing of "unusual exceptions" since many companies have the same or similar exceptions. If all the exceptions were listed, the advertising would make an unfavorable impression. Prospects would think that it was a policy they did not want, when in reality the reverse would be true, he said.

Mr. Holz said he thought the problem was based on the interpretation of the advertising by the insurance department, and that he was certain the department would be reasonable about the matter.

Adelbert G. Straub Jr., counsel of New York Life, though he spoke for an informal group of companies incorporated or licensed in New York which advertise A&S, expressed the general sentiment when he urged a regulation establishing rules consistent with those of NAIC and the preamble proposed by the department. Such rules will formalize standards and should help materially in putting an end to the confusion which now exists in the area by laying down a definite set of ground rules carefully considered and approved by public authority.

Mr. Straub said his group includes large and smaller life companies and

(CONTINUED ON PAGE 14)

Name 1956 LIAMA Committee Heads

Stanton G. Hale, vice-president for sales of Mutual of New York and president of LIAMA, has appointed these LIAMA committee chairmen for 1956:

Agency costs—Wallis Boileau Jr., 2nd vice-president Penn Mutual; co-chairmen, Chester O. Sullivan, president Midland Mutual, and Milton J. Goldberg, assistant superintendent Equitable Society.

Annual meeting—Raymond W. Simpkin, agency vice-president Connecticut Mutual; co-chairman, Frank F. Weidenborner, agency vice-president Guardian Life.

Associate member companies—Arthur F. Williams, vice-president and superintendent of agencies Crown Life.

Audit—R. R. Davenport, vice-president and agency director Southwestern Life.

Canadian companies—A. Gordon Nairn, executive director of agencies Canadian home office of Prudential.

Compensation—Robert A. Parish, agency secretary Connecticut General.

Cooperation with other organizations—Marvin E. Lewis, agency vice-president Bankers Life of Iowa.

Education and training—Horace R. Smith, superintendent of agencies Connecticut Mutual; vice-chairman, Karl H. Kreder, 2nd vice-president Metropolitan Life.

Membership—Frank B. Maher, vice-president John Hancock.

Nominating—Ray E. Fuller, agency vice-president Equitable of Iowa.

Public relations—Fred S. Sibley, vice-president and director of sales Columbian National; vice-chairman, John D. Brundage, administrative vice-president Bankers National Life.

Quality business—Willis J. Milner Jr., vice-president Life of Virginia; vice-chairmen, Lawrence J. Doolin, manager of agencies Fidelity Mutual, and C. C. Johnson, agency supervisor London Life.

Relations with universities—A. Rogers Maynard, 2nd vice-president, Metropolitan Life; vice-chairman, Ben F. Hadley, vice-president and superintendent of agents Columbus Mutual.

Research advisory—executive committee chairman, W. R. Jenkins, 1st vice-president Northwestern National; vice-chairman, Charles H. Schaaff, vice-president Massachusetts Mutual; technical committee chairman, Brent N. Baxter, director of agencies research Prudential.

Four LIAMA committees elect chairmen at their spring conferences. Serving until the 1956 spring meeting are these chairmen:

A&S—Wilbur W. Hartshorn, superintendent of agencies Metropolitan Life.

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Agency management conference—Lee Cannon, agency vice-president Western Life.

Agency officers round table—Raymond C. Johnson, vice-president in charge of agency administration New York Life.

Combination companies—William P. Lynch, 2nd vice president Prudential.

Joint committees with other associations include:

Advisory council on life underwriter education and training—Homer C. Chaney, 2nd vice-president New England Life; vice-chairman, Elmer L. Nicholson, superintendent of agencies Connecticut General.

Agency management training advisory—Ward Phelps, superintendent of agencies National Life of Vermont.

Bank premium payment plans—Robert J. Taylor, vice-president United Benefit.

Life Underwriter Training Council—Frank B. Maher, vice-president John Hancock.

Committees of the board have these chairmen:

Finance—R. R. Davenport, vice-president and agency director Southwestern Life.

Ways and Means—Charles H. Heyl, vice-president and director of agencies Bankers of Nebraska.

Say New Rules Give Indiana Top Grade Agent Licensing System

Many industry observers in Indiana feel that as a result of the actions taken by the insurance department since W. J. Davey became commissioner in late October, the state now has one of the best life license qualification systems in the country. The system, they claim, requires far more knowledge of life insurance than would any written examination that would be politically feasible.

Under Indiana departmental procedure, a license to write life insurance is issued on application, with the provision that the applicant will, within six months, complete a course of study previously approved by the department, such completion to be certified to the department.

In the past, there has been no check on whether or not such a course of study was actually completed or that the agent absorbed the material. Further, license applicants who have certified they intended to write only credit life insurance have been approved by the department without complying with the study requirement.

On Nov. 17, the new commissioner, only a few weeks after taking office, issued a directive that all license applicants, regardless of the type of insurance they planned to write, must comply with the study requirements of the law, and that no licenses would be renewed if there had been no original certification of such compliance.

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On Dec. 13, the department issued a set of "minimum requirements" for courses that would be approved for license qualification study. These new requirements also set up for the first time a system for checking on completion and absorption of the text material used. Companies must retain in their files for a period of three years following certification to the department of a man's completion of the approved study material, questionnaires or an examination in the agent's own handwriting showing that he has a reasonable comprehension of the points covered in the minimum requirements. These questionnaires or examinations will be subject to inspection by the department, which, it is understood, expects to make enough spot checks to assure compliance.

The new minimum requirements also set forth the form of certification of compliance to be rendered the department and, by making no provision for certification by general agents or managers—permissible under previous practice—confined certification to home offices.

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On Jan. 4, the department clarified the new rules with a press interview in which Mr. Davey declared that the minimum requirements rescinded all approvals of training courses given by the department prior to Dec. 13 and that companies must now resubmit their courses for new approval, except for several commercially-prepared courses which already had been surveyed for compliance by the department. These courses need not be submitted if companies using any one of them notifies the department of their use and submits with the notification a sample of material on the Indiana law with which it intends to supplement them.

Observers declare that the minimum requirements are much more comprehensive than the departmental examinations of states requiring a written examination, and that they will assure a high degree of training.

Whether or not the new requirements will set at rest the controversy that has long raged in the state among agents' groups over departmental examinations vs the qualification law remains to be seen. The controversy has been bitter at times in the past.

Mr. Davey is being hailed by many in the industry in Indiana as one of the most forthright commissioners the state has ever had. A graduate of the insurance school at Butler university, Indianapolis, he is a career man in the department, having been promoted to his present post from that of chief examiner when Harry E. Wells resigned to take over the presidency of the American Travelers Life, a new Indiana company.

Republic National Stages Planning Rally for Managers

Republic National Life held a managers' sales and training conference at Lake Murray Lodge, Okla., where 1956 plans were formulated.

A new slogan—"A Billion or More by June or Before"—was inaugurated at the meeting. This will be the year Republic National passes the $1 billion of insurance in force mark. Another highlight was announcement of an amendment to the managers' contract providing a substantial bonus based on production of paid-for business during a calendar year. In addition to the bonus, the two managers exceeding their quotas by the greatest volume this year will receive new automobiles.

Representing the home office at the conference were T. P. Beasley, president; Robert P. Hale, director of ordinary agencies; Charles Walters, assistant training director; E. R. Nadalin, director of brokerage; Allen Cureton, A&S sales director; James Galloway, southern regional supervisor; Howard Channell, southwestern regional supervisor; Donald Clark, western regional supervisor; A. A. Garrett, agency secretary, and E. G. Woods, director of publications, information and advertising.

Sees Need for the Business to Tell Its Story More

Among complaints or inquiries received by the Better Business Bureau of Philadelphia, insurance ranks third, Verner S. Gaggin, general manager of the bureau, told Insurance Society of Philadelphia at its annual banquet. More than 800 attended.

There are more people going to the Philadelphia Better Business Bureau with their insurance problems than there are about problems dealing with automobiles, TV repairs, magazine sales and home improvements, he declared. He said that although the BBB's insurance work is divided into three categories, life, A&S and fire-casualty-surety, it is dangerous for any one line to assume that it is the other line that is causing the trouble. All the lines of insurance should have common and mutual interest in each other's problems, he said. The public doesn't seem to differentiate between the different lines. A complaint against one line reflects upon the whole business

Again and again, he said, people say after the BBB has answered an inquiry or a complaint, "well that's insurance for you," or when they have been unable to get what they thought was a justifiable claim adjusted, they say, "well, insurance is nothing but a racket."

In other words, he said, a question about the reliability of any type of insurance reflects a basic suspicion which is potentially dangerous to the business as a whole. The number of serious complaints compared to the number of inquiries is relatively small, he said, but what is serious is the large and ever increasing area of public confusion, misunderstanding and even suspicion revealed in the much bigger volume of inquiries that come to BBB every year.

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The BBB figures differ for those in any commercial survey where a set of questions are asked of a cross-section of people. Back of every BBB inquiry or complaint is a problem that is sufficiently disturbing to someone to cause him to make the effort to get in touch with the BBB in search of an answer.

When someone asks BBB about a specific company and wants to know if it is reliable, he said, the question is typical and is symptomatic of negative factors. What caused the question? Is it a doubt about the company itself or about the insurance as a whole? How many people have the same feeling? BBB does not have the answers; it does not have the facilities or the manpower even to attempt to make a study that will supply the answers. When such inquiries and complaints come in time after time, day after day, it does indicate that a large portion of the general public is not being properly informed about insurance. Those who go to the bureau represent a cross section of all income and occupation brackets, they come from executive, skilled and unskilled levels. Most requests for help come from women who are acting on behalf of their husbands, which might indicate that women play a much more important part in handling the insurance problems of their home than is ordinarily supposed. He noted that insurance advertising appears to be directed principally toward men.

He wondered why those in the busi-

(CONTINUED ON PAGE 14)

EDITORIAL COMMENT

Texas News: Headlined and Unheadlined

The action of the 28 Texas Life Convention companies in offering to reinsure policies issued prior to Jan. 1, 1956, by any legal reserve stock life company chartered in Texas which the Texas commissioners might find within the next 12 months to have been improperly managed or insolvent stands in the top rank of practical public relations.

Moreover, the action showed an appreciation of a vital element in public relations: Promptness. "He gives twice who gives quickly" is a saying that applies even more forcefully when there is a situation that demands fast action, as the one in Texas certainly did.

As a result of taking action without delay, the 28 companies made fine headlines, thereby providing a welcome contrast to some of the publicity up to that time. They also got prominent and favorable editorial comments. They succeeded in impressing on the public mind, while it was still interested, the fact that whatever troubles other types of companies may have been having in Texas, the legal reserve life companies are so sound that 28 of the most prominent companies domiciled in the state are willing to back them up.

By coincidence, during the very days that the Texas insurance situation was exciting as much public interest as a murder mystery, there was an important insurance event that received little if anything in the way of newspaper headlines. This was the seminar put on by A. R. Jaqua, head of the Southern Methodist university insurance course. It was conducted at Dallas for 52 home office people from 34 companies. Besides Mr. Jaqua there was a faculty of 16 prominent life insurance experts.

This seminar was heartening evidence of a sincere desire to become more proficient at the exacting task of operating an insurance company. Many of these people are new or relatively new to the insurance business. But they want to operate as insurance men and not as "fast-buck" boys.

Faculty members were impressed with earnestness of these former bankers, oil men, and other newcomers to insurance. One of them, for example, is keenly interested in seeing if he can't run a company with $1 million to $1.5 million insurance in force with as low a net cost as a much larger company. These men are convinced that Texas has a big future as an insurance state. They are as interested as anyone in getting the unsoundness cleaned up while at the same time not making it impossible for smaller companies to get started.

It is a pity and admittedly unfair that the Texas life companies should have to bear any of the stigma attaching to other types of companies. It's never any fun to go through a shaking up like this. About the only silver lining is that at least it is happening now when business is riding high and with so much momentum that Texas life companies will be held back about as much as a fast car hitting a mud puddle. At another time, perhaps during a period of business recession, it could be a lot tougher to take what the Texas insurers are now going through.

Street Addresses Belong on Letterheads

An executive of a corporation that does a large business with life company home offices has what we consider to be an excellent suggestion for improving a small but important facet of public relations. Moreover, it's a suggestion that would cost nothing to put into effect.

Not to be mysterious about it, and also to give credit where credit is due, the executive is Vice-president Louis H. Martin of the National Underwriter Co. and his suggestion is that life companies include their street address on their letterheads.

Mr. Martin estimates that 80 to 90% of life companies omit their street addresses from their letterheads. As a result, the National Underwriter Co. order department and stenographers have to look up street addresses thousands of times during the course of a year. Mr. Martin points out that other firms having dealings with life company home offices must be similarly baffled and would save a lot of time if they find the home office address right on the letterhead.

Of course, city and state are probably enough for the few top-size companies and for companies in cities small enough so that everybody knows where the home office is. But many people know that postoffice employes are no longer supposed to exert themselves to locate incompletely identified addresses. If a letter or package is important, it is disturbing to the sender to mail it out without an address that will insure its arrival.

One reason why the street address is omitted from home office letterheads may be that in this way a stock letterhead is used by the home office for its own use and when a supply of stationery is made up for a general agent or manager it is necessary only to imprint his name and address on the stock letterhead. Where this practice prevails, it would not be entirely cost-free to follow Mr. Martin's suggestion, but the cost would still be trifling.

Possibly a reason for omitting the street address is a feeling that putting it on the letterhead would be a confession that the company is not sufficiently large or well known to be found by letter-carriers and expressmen without a precise address. Yet this seems like a concession to vanity, like refusing to wear eyeglasses or a hearing aid when they are needed.

Actually, a street address can be a distinctive part of a company's identification in the public mind. Is there anyone who has been in the insurance business for any length of time who doesn't know what New York company is located at 1 Madison avenue?

If any part of the reluctance to use street addresses on letterheads is due to a feeling that a street address connotes obscurity, we suggest that for the good of the business the larger companies that don't use street addresses start doing so the next time they print up a batch of letter paper. In time, the omission of a street address may become as conspicuous as the inclusion of it is now. We hope so, anyway.

PERSONALS

W. P. Stalnaker, president of Standard of Oregon, has accepted the chairmanship of the Portland committee of American industry for national fund for medical education. The committee is working with a national group to raise $10 million for the country's 81 medical schools.

Commissioner **Paul Rogan** of Wisconsin has been reported in good condition after an emergency appendectomey performed at St. Mary's hospital, Madison.

Devereux C. Josephs, chairman of New York Life, has been named to the 1956 business and advisory council of Department of Commerce.

Jackson Letts, 2nd vice-president of Prudential at Houston regional home office, has been appointed chairman of the Houston fund-raising campaign for the junior achievement organization.

William H. Burrows, general agent of Massachusetts Mutual Life at Providence, has been chosen the outstanding young man of Providence by Junior Chamber of Commerce.

Powell B. McHaney, president of General American Life, has been named a vice-chairman of the St. Louis citizens metropolitan traffic committee.

Frank H. Dunn, vice-president in charge of the mortgage loan and real estate department of American United Life, has been elected president of Farmers State Bank at Zionsville, Ind. He has been with the bank in various capacities for more than 30 years.

Stewart L. Hall, assistant superintendent of agencies, administration, Occidental Life of California, has been promoted to chief of staff of the 63rd reserve infantry division. Lt. Col. Hall was formerly plans and training officer of the division.

DEATHS

MERLE G. SUMMERS, chairman for the past year of Northwestern Life of New York and for 34 years before that general agent of New England Mutual Life at Boston, died unexpectedly. A pioneer in pension trusts, he started in insurance in 1914 with Massachusetts Mutual and later served as general agent for three years. He was an insurance broker before joining New England Life in 1921 as a general agent in partnership with Robert W. Moore Jr. Mr. Summers was sole general agent from 1938 until his retirement in 1955, when his son, M. Greeley Summers Jr. succeeded him as general agent. After retirement he was elected chairman of Northeastern Life of New York.

MRS. RAY E. FULLER, wife of Ray E. Fuller, agency vice-president of Equitable of Iowa, died at Methodist hospital, Des Moines, following an extended illness.

A. LESTER SHERMAN, 75, retired assistant secretary of John Hancock, died in a St. Petersburg, Fla., hospital.

JOHN M. LOVE, 60, chairman of the board of John Marshall Life and retired president of State Security Life, died in Anderson, Ind.

MISS FLORENCE MITCHELL, supreme receiver of Royal Neighbors, died at her Rock Island, Ill., home following a heart attack. She had served Royal Neighbors in various capacities for 24 years, becoming supreme receiver in 1954. Miss Mitchell started the fraternal as a district deputy in Wisconsin in 1932 and in 1953 was appointed Indiana state supervisor.


Florence Mitchell

Charles G. Beck, director of veterans administration insurance department since 1952, has retired after 39 years of government service.

The NATIONAL UNDERWRITER
—Life Insurance Edition
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99 John St., New York 38, N. Y.
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Assistant Editors: John B. Lawrence, Jr. and Eloise West.

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Joseph H. Head, Secretary.
John Z. Herschede, Treasurer.
420 E. Fourth St., Cincinnati 2, Ohio.
Telephone Parkway 1-2140.

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BOSTON 11, MASS.—207 Essex St., Rm. 421, Tel. Liberty 2-1402. Roy H. Lang, New England Manager.

CHICAGO 4, ILL.—175 W. Jackson Blvd., Tel. Wabash 2-2704. O. E. Schwartz, Chicago Mgr. R. J. Wieghaus, Resident Manager.

CINCINNATI 2, OHIO—420 E. Fourth Street, Tel. Parkway 1-2140. Chas. P. Woods, Sales Director; George C. Roeding, Associate Manager; George E. Wohlgemuth, News Editor; Roy Rosenquist, Statistician.

DALLAS 1, TEXAS—708 Employers Insurance Bldg., Tel. Prospect 1127. Alfred E. Cadis, Southwestern Manager.

DETROIT 26, MICH.—502 Lafayette Bldg., Tel. Woodward 1-2344. A. J. Edwards, Manager for Indiana and Michigan.

KANSAS CITY 6, MO.—605 Columbia Bank Bldg., Tel. Victor 2-9157. William J. Gessing, Resident Manager.
MINNEAPOLIS 2, MINN.—1038 Northwestern Bank Bldg., Tel. Main 5417. Howard J. Meyer, Northwestern Manager.
NEW YORK 38, N. Y.—99 John Street, Room 1103, Tel. Beekman 3-3958. J. T. Curtin and Clarence W. Hammel, New York Managers.
NEWARK 2, N. J.—10 Commerce Ct., Tel. Mitchell 2-1306. John F. McCormick, Resident Manager.

OMAHA 2, NEBR.—610 Keeline Bldg., Tel. Atlantic 3416. Fred L. White, Resident Manager.

PHILADELPHIA 9, PA.—1027 S. Broad St., Room 1127, Tel. Pennypacker 5-3706. Robert I. Zoll, Middle Atlantic Manager.

SAN FRANCISCO 4, CAL.—Flatiron Bldg., 544 Market St., Tel. Exbrook 2-3054. A. J. Wheeler, Pacific Coast Manager.

W. D. Grant (center), shown receiving congratulations from E. A. Carlson (left) and J. Clarke Wittlake, on his recent election as executive vice-president of Business Men's Assurance. Mr. Grant, with B.M.A. since 1941, is the son of the late W. T. Grant who founded the company. Mr. Carlson, who was elected controller, formerly was assistant secretary and Mr. Wittlake, new vice-president in charge of administration, was assistant to the president.

Widow of Executed Man Sues to Collect on Life Policy

For the first time a Kentucky court has been asked to decide whether the widow of a legally executed man can collect his life insurance.

Mrs. Clyda Tarrence, widow of Roy Tarrence and mother of Leonard Tarrence who were executed last March for the murder of Louisville attorney Francis J. McCormack, has asked the court to order John Hancock to pay her $9,300.

She claims this is due her under a policy her husband had with the insurer.

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After a hearing in federal court, Judge Roy M. Shelbourne took the case under submission to allow Sandy Paniello, Mrs. Tarrence's attorney, and Thomas Bullitt, representing the insurer, time to take additional depositions.

Mr. Bullitt contends the insurer doesn't have to pay because Tarrence was legally executed, a risk not covered by the policy. He argued that neither Tarrence nor the company contemplated such a death for Tarrence when the policy was issued.

"It would be against public policy and good morals to insure against the penalty for crime," Mr. Bullitt said. Massachusetts courts have ruled in similar cases that beneficiaries cannot collect on policies where death results from legal execution, but Mr. Paniello claims the Massachusetts precedent has nothing to do with the Kentucky case. He believes the case will hinge on the fact that all insurers must operate under the laws in effect in states where the business is written and on the claim that the insurer continued accepting premiums after Tarrance was convicted.

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Mr. Paniello said Tarrence paid premiums on the policy while he was in prison awaiting execution. The last premium was paid in January, 1955, two months before Tarrence and his son were electrocuted, Mr. Paniello said.

Tarrence took out the policy after he was arrested and after he was fired by Bernheim distillery where he was employed, according to Mr. Paniello. While at the distillery, Mr. Paniello said, Tarrence held seven small policies under a company group plan written by John Hancock.

Under terms of the contract, Tarrence was allowed to convert the group policies to an individual one after he was fired, Mr. Paniello said, and made the conversion in May, 1952.

The Tarrences were electrocuted March 18, 1955. They were convicted of forcing the attorney into their car in Louisville, then driving to Harrods Creek where they killed him and tossed his body into the creek.

W. Va. Conference to Consider Adoption of NAIC A&S Code

The West Virginia department has called a trade practice conference in its offices at Charleston April 2 to consider adoption of the A&S advertising code of National Assn. of Insurance Commissioners. The 278 insurers writing the cover and 4,700 agents have been notified of the conference.

Ark. Department to Hold Hearing on A&S Code

LITTLE ROCK—Commissioner Combs has scheduled a public hearing, Feb. 21, to consider adoption of the A&S advertising code approved by National Assn. of Insurance Commissioners.

The new rules, Mr. Combs said, will provide "administrative definition" under the Arkansas fair trades practices act for insurance and other statutes, which prohibit transmission of information in the form of advertisements or otherwise in such a manner that the insuring public may be deceived or misled thereby.

Mr. Combs said present state laws provide only general standards for preparation, dissemination and regulation of A&S advertising.

Mutual Honors Myer

Richard E. Myer, manager of Mutual of New York in New York City since 1941, was honored at a luncheon marking his 35th anniversary with the company.

Guests included Stanton G. Hale, vice-president for sales, and Frank B. Jackson, eastern region vice-president. Mr. Myer was presented a gold watch. He joined the company at Elmira, N.Y., and served as manager at Harrisburg and Detroit before going to New York. He is a CLU.

Business Favors N.Y. Adoption of NAIC Code

(CONTINUED FROM PAGE 9)

A&S companies, including those active in a study of the problem: Equitable Society, New York Life, Mutual of New York, Guardian Life, U. S. Life, Prudential, Commercial Travelers of Utica and Mutual Benefit H.&A. Representatives of Metropolitan Life and Lumbermens Mutual Casualty also participated in the discussions held at the group's request with representatives of the insurance department.

He also said that the group is glad to note that NAIC and a committee of insurance representatives are working on an interpretive guide for the NAIC code which should make more definite the general standards set forth in the rules and the application of those standards to specific questions. He said it is believed that the guide may be completed in time for submission to the June meeting of NAIC.

He also suggested the elimination of the word "only" and suggested that the preamble be changed to use the word "and" instead of "or" between "tendency" and "capacity" in statements concerning advertising having the tendency and the capacity to mislead readers. The use of an abbreviation or summarization might have the "capacity" to mislead without having the tendency to do so, he said. Joining them with the conjunctive, as they are in the code itself, he said, would eliminate this possibility, he said.

It was also noted that the preamble should be called, instead, a statement of policy, since that was its real purpose.

Confederation Life Sales up $32 Million

Confederation Life sales in 1955 totaled $195,312,571, increase $32,440,-467. Individual policy sales amounted to $152.1 million, up $16,537,482, and group sales totaled $43.2 million, up $15,902,985. Annual group A&S premiums totaled $5,843,205.

Individual and group annuity contracts guaranteed annual payments of $20,402,944, increase $1,645,048. Annuity benefits totaled $2,145,895, while $4,046,336 was paid in matured endowments. Life insurance in force rose to $1,551,435,097. The interest rate on new investments was 4.92%, down .14%, but the gross rate on total invested assets rose to 4.41%, up .06%. Mortgage investments totaled $75 million, up $12.3 million.

President J. K. Macdonald, referring to electronic data processing machines, emphasized that they cannot take the place of intelligent, well-trained personnel. The real value of the machines lies in their ability to perform preplanned tasks at high speed, combining various operations which demand several laborious routines.

Willis Succeeds Hunt in Family Finance Post

Benjamin C. Willis, general superintendent of schools in Chicago, has been elected chairman of National Committee for Education in Family Finance to succeed Herold C. Hunt, who has been named undersecretary of Health, Education & Welfare. Mr. Hunt, chairman since 1947, will remain on the committee.

New members elected to the committee are Prudence Bostwick, supervisor of Denver public schools; Davis W. Gregg, president of American College; Louise Keller, state supervisor of home economics education in Iowa; and Powell B. McHaney, president of General American Life.

R. Wilfred Kelsey has been named executive secretary. Director of education in family finance of Institute of Life Insurance, he has been secretary of the committee since its inception and was instrumental in its organization.

Life Companies Provide 25% of Jet Financing

More than one-fourth of the initial financing being set up for conversion of U.S. airlines to the jet age is coming from life insurance funds, according to Institute of Life Insurance.

With more than 300 turbo-jet and turbo-prop planes ordered in the past few months for delivery over the next few years, the projected outlay already exceeds $1 billion. About $350 million of this will be covered by long term bond issues placed with several life companies.

These new planes on order represent a greater value than total assets of the borrowing airlines and mark the first major use of long term borrowing by the air transport industry.

N. Y. Life Raises Two

New York Life has promoted John C. Fraser and Walter Shur to assistant actuaries in the actuarial and insurance research departments, respectively.

Mr. Fraser joined the company in 1950 and Mr. Shur in 1952. Both were named actuarial assistants in 1955, when they became fellows of Scoiety of Actuaries.

Sees Need for Insurance to Tell Its Story More

(CONTINUED FROM PAGE 11)

ness do not do more to develop a constructive appreciation for insurance—all insurance. There is work being done in this respect, but for the size and reputation of an old business, he wonders why there is not more of it done. He noted that each line of insurance keeps pretty much to itself and that there are distinct segments within each line. In talking to the BBB, the general public has revealed many thoughtless remarks made by insurance people in one line about the methods of operation in another. This is probably done carelessly, but when it is done, it has a very definite effect on the public attitude toward insurance.

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He said that within lines themselves there have been bitter charges. Differences between stock and mutual companies are still being aired, and in recent years bitter feelings have been expressed about direct writing companies. Regional lack of respect often is expressed about insurers located in the east, west, north or south or in certain states. In life insurance, if a company develops an unusual package policy of, say, mortgage or retirement income, other agents are likely to try to belittle a competitive proposition by claiming that it is full of gimmicks. There is a tendency for old, established companies to separate themselves from the newer ones and to resent their practices rather than working cooperatively with them to help improve their insurance offerings in the best interest of the public and the business.

He wondered if some of these troubles stem from the fact that insurance is a regulated business. It is possible that the insurance people are waiting for commissioners to take whatever steps are necessary to make the improvements which are essential? He said that it seems to those in the BBB that if the insurance commissioners were not doing so much already, the insurance people long since would have instituted their own voluntary plans for the solution of these problems. He wondered if the business feels itself to be so old and reputable that it does not need to worry about such matters.

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He called attention to the federal government's increasing interest in the insurance business. Nearly five years ago the BBB warned the insurance business of possible federal intervention. He said the BBB is not expert in insurance, but it is expert in voluntary self regulation. Insurance people say that they regard the present governmental action as a forerunner of what may happen to all insurance if the precedent is once established.

It is not too late for the insurance business to set up a program of self regulation which will nullify in part the loss of public confidence and the resulting intervention by the government, he declared. He thinks the general public wants insurance to remain a strong, free enterprise and suggested that it would go a long way to do so if the business banishes recrimination wherever it exists between lines in the business, segments in the business, and regions; if it creates mutual respect and understanding, and if it seriously considers the public's growing unrest and does something about it.

Asks Nine Changes to End Ind. Credit Cover 'Abuses'

Nine recommendations for changes in the Indiana insurance law have been made to the legislative sub-committee investigating charges of abuses in the state in the field of credit insurance. The changes were listed last week by Grattan H. Downey, Indianapolis insurance man and member of the committee. The state statutes, said Mr. Downey, should be changed to provide that:

—The amount of credit insurance be limited to the amount of the unpaid balance on the obligation.
—The periodic indemnity in disability credit insurance be "reasonably" related to the amount of the periodic installments due on the obligation.
—The term of the insurance correspond with the term of the loan and not extend more than 15 days beyond the due date of the final installment.
—Rates for credit insurance be filed with the department, accompanied by supporting statistics.
—No lender be allowed to retain any part of the premium charged a borrower for credit insurance, and commissions be paid only licensed agents.
—The borrower shall have the unconditional right to offer a pre-existing policy to cover the loan, or to buy insurance to cover it from any authorized insurer.
—The borrower receive written evidence of any credit coverage obtained by the lender for which the borrower pays the premium.
—The lender supply the borrower with an itemized statement showing all charges for credit insurance.
—The lender not be allowed to retain any part of the premium paid the borrower beyond a nominal service charge not to exceed 10% of the legal premium actually paid by the borrower.

Mr. Downey also urged tightening up on licensing, particularly the issuance of licenses to clerks, loan officers, or anyone else who "solicits, explains, or attempts to get the borrower to buy credit insurance."

The Indiana department has already made moves to tighten up on the issuance of licenses to those writing credit coverages. Commissioner Davey halted the former practice of waiving the qualification requirements for an applicant planning to write credit insurance only and notified all companies that henceforth, all new licensees must meet the same qualification requirements as any other agent and that no licenses would be renewed without evidence that the qualifications have been met in the past.

Under Indiana procedure, applicants for A&S licenses must pass a written department examination. Applicants for a life license must complete a department approved training course.

Propose 10% Stock Hike

Stockholders of Lincoln Income Life at a meeting Feb. 21 will consider a recommendation of directors that there be a 10% capital stock dividend, raising the number of $1 par value shares from 222,759 to 245,035.

Directors declared an extra dividend of 20 cents along with the regular dividend of 30 cents, payable Jan. 21 to stock of record Jan. 17.

Andron Leads U.S. Life in 1955

Daniel Andron, New York City, led U.S. Life in 1955 with $1.4 million production. Mr. Andron, with the company since 1952, also is a partner in a brokerage business.

Mutual of N.Y. Mortgage Record

Mutual of New York mortgage delinquencies are at a record low, with only 1⅓ mortgage loans out of every 1,000 in arrears more than 60 days.

The company has $690 million invested in 71,100 individual non-farm mortgage loans, 90% of which are on residential properties. At year-end, only 100 loans in the entire portfolio were delinquent. Of the $76.8 million invested in 4,900 farm mortgages, only 27 loans were in arrears 90 or more days.

Kemper to Arizona for Great Southern

Howard O. Kemper has been named agency manager in Arizona for Great Southern Life, succeeding Charles W. Dean who has been transferred to the home office agency department.

Mr. Kemper joined Great Southern at Abilene, Tex., in 1945 and was brought to the home office in 1955 as an assistant manager of sales training.

Heads Milwaukee Group

James Ward Rector, First Wisconsin Trust Co., was elected president of the Milwaukee Life Insurance & Trust Council to succeed Henry B. Kay, New York Life. Warren E. Clark, Northwestern Mutual Life, is the new vice-president, and John C. Geilfuss, Marine National Exchange bank, succeeds him as secretary-treasurer.

Warshawsky Is Lincoln National Agent of Year

David Warshawsky of the L. H. Feder & Associates of Lincoln National Life, Cleveland, sold more than $5 million in insurance last year, winning the Agent of the Year title in competition with more than 2,400 agents throughout the country.

David Warshawsky

Mr. Warshawsky set a new all-time record for total volume of business produced by an individual agent of the company. Runner-up for 1955 is L. C. Mascotte of the O'Rourke & Co. agency, Fort Wayne.

Mass. Mutual Promotes Benton

Massachusetts Mutual Life has promoted Frank R. Benton to district group manager at Minneapolis. He has been district group representative in Minneapolis for a year and previously served in the same capacity in Kansas City.

Top K. C. Life Producers to Meet in Canada in 1957

Kansas City Life will hold its 1957 President's Club meeting at Banff, Canada. This will be the fourth time the club has met outside the U.S. boundries.

Attendance at the all-expense paid meeting will be the reward for agents who meet certain volume, renewal and premium requirements during 1956. Agents also may qualify for their wives or husbands as well as themselves. Approximately 10% of the top producers annually qualify for the club meeting.

The 1956 meeting will be held April 22-25 at Atlantic City.

Equitable Appointments

Equitable Society has appointed Laurence E. Reiner manager of the real estate division of the city mortgage department.

Kenneth M. Stead and Herbert W. Lindholm have been named assistant manager and construction engineer, respectively, of the real estate division. Joel M. Krogstad has been transferred from the home office to Milwaukee where he will be resident manager of the company's building.

Company Presidents Find Answering Calls Is Good Business

At least five presidents of major insurance companies in Hartford are using the telephone to promote better relations with stockholders, policyholders, employes and the public.

They answer calls directed to them personally. They do not allow a secretary to screen their calls before they are called to the telephone.

The *Hartford Courant* in a recent article reported a test it made to ascertain how many company presidents in the city could be reached directly by telephone. Out of 75 calls to presidents of principal companies, only five answered personally when the company telephone operator was given the name of the president wanted. All others were answered by secretaries.

Taking a dig at what it called the "New York secretarial technique," the newspaper stated there are signs of a trend toward its adoption in Hartford. It has already been encountered in a few of the smaller businesses, the paper stated, and it's only slightly less grueling than efforts to reach top brass in New York.

The executives who do answer the telephone personally indicated they get a personal satisfaction out of taking the calls and find that it is good business to do so.

The presidents interviewed were James C. Hullett of Hartford Fire, Peter M. Fraser of Connecticut Mutual Life, H. B. Collamore of National Fire, Wilson C. Jainsen of Hartford Accident and Lyman B. Brainerd of Hartford Steam Boiler.

One president said that when his telephone rings he knows someone wants to speak with him, not his secretary. Besides, he said he likes to answer his own calls. Another said that since one never knows who might be on the line, the person calling may have a nice bit of business for the company. The caller feels better when he talks directly without waiting for a secretary to set up the call.

Another said that it might be a policyholder who believes he has business that should have the president's attention and, when he gets it, he is better satisfied. Another felt that presidents are elected to serve policyholders and stockholders who feel they have a right to talk with the president when they call.

Equitable Establishes Home Office Department

Equitable Society has established a home office building department and appointed 2nd Vice-president Arthur W. Gilbart to head it, under the general supervision of Charles W. Dow, senior vice-president.

The new department is responsible for operations at the home office and, in cooperation with the home office building committee, continued development of plans for a new home office. At the same time, the city real estate department, which has been in charge of home office operations, has been discontinued. Its investment real estate and field office planning operations have been transferred to the city mortgage department.

General manager of the new department is Robert Schlageter, who managed the home office building division of the city real estate department. Henry M. Schley is manager of the construction and design division, with Albert A. Pike as assistant manager and Robert J. Peters as chief designer. Leighton D. Capps and William S. Fagan are manager and assistant manager, respectively, of the building operations division. Richard H. Lee Jr. and Arthur O. Hellander are manager and assistant manager, respectively, of the administration division.

Western & Southern Life Chalks Up Big '55 Gains

Western & Southern Life reports an increase of $186,772,125 in insurance in force in 1955 to a total of $3,068,-365.575, going over the $3 billion mark.

Assets total $672,287,192, increase $55,665,598. Surplus is $50 million, policy valuation reserve $6 million, mortgage loan and fluctuation reserve $8,150,000, and security valuation reserve $3,821,759.

The investment portfolio includes $164.809.482 U.S. government bonds, $103,250.242 municipal and corporation bonds, $326,024,317 mortgage loans, $21,015.405 preferred stocks, $15,975.131 policy loans, and $12,071,-303 cash.

First National New Home Office

First National Life of Phoenix is constructing a new home office on a three-acre tract on East Camelback road at an initial investment of $250,000.

The one-story building, 130 by 170 feet, will be completed in April. It will have 15,000 square feet of space, a substantial increase over the present quarters at 807 West Washington street. The exterior will be tan Norman face brick. The interior will be air-conditioned and acoustically treated.

Reins of Dayton Agency Pass from Father to Son

Herbert E. Whalen Jr. has been appointed general agent of Northwestern Mutual Life at Dayton, succeeding his father, Herbert E. Whalen Sr. who is retiring but will continue in personal production.


H. E. Whalen Jr.


H. E. Whalen Sr.

Starting with Northwestern Mutual in 1932, the senior Mr. Whalen became general agent in 1942 and since then has increased agency sales 241%. A sales record was established in 1955.

H. E. Whalen Jr. started with the company in 1945 and last year placed 10th among the company's agents in new sales. He has been an officer of Dayton Life Underwriters Assn.

Mortgage Investments of N. W. Mutual Top $1 Billion

Presentation of a $100,000 mortgage check at a meeting in Milwaukee of the finance committee of Northwestern Mutual Life pushed the company's mortgage investment total past the $1 billion mark—a figure equal to the entire assessed property valuation of cities like Dallas and Pittsburgh.

The check was presented by President Edmund Fitzgerald to Ralph Friedmann, president of Schuster & Co., Milwaukee, as part of a construction advance on a $3.5 million department store building.

The billion dollar total is made up of $625 million on residences, $313 million on business and institutional properties and $62 million on farms. The residence loan account is 30 times larger than it was only 10 years ago, and the business and institutional account has tripled and the farm account doubled.

Registering of Welfare Funds Asked by U. S.

The administration has presented a bill to Congress which is aimed at safeguarding welfare and pension funds against fraud by requiring registration with the Labor Department and statements on their administration and finances. The funds now total an estimated $26 billion. The bill leaves to the discretion of the Secretary of Labor what information about the funds would be made public.

Dr. Martin Talks in Chicago

Dr. Clem Martin of Continental Casualty told a January meeting of Chicago Home Office Life Underwriters that moderate diets, especially after 40, are advisable for the control and prevention of arteriosclerosis, pointing out that the disease is caused by cholesterol, a fat deposit. Dr. Martin said the modern diet consists of 40% fat substances.

Hancock Holds Business Life Parley for Agents

John Hancock held a new type of 3-day business insurance conference based primarily on audience participation, for 48 agents experienced in selling personal insurance.

All the agents had sold some business life but had not specialized in it. Although many have been successful in selling personal insurance, they have not reached fully the growing market for business insurance, according to Vice-president R. Radcliffe Massey.

The course tied together various aspects of business insurance and ways of approaching prospects. It covered corporation, partnership, proprietorship and key man insurance, with at least one specific case situation discussed in each category. Moderators were men with specialized experience and knowledge.

Conference leaders and their topics were: John L. Allen, general agent at Providence, partnerships; Harold G. Pratt, general agent at New York City, corporations; Robert B. Pitcher, general agent at Boston, key man; Nelson Broms, agency assistant at New York City, sole proprietor; Morton Y. Bullock III, assistant general agent at Baltimore, employe consultation service.

Legal aspects, tax implications, business purchase agreements, methods of funding, ways of overcoming situations involving an uninsurable associate, ways of arriving at a fair valuation of a particular business, deferred compensation and executive pay plans and methods of estimating state tax obligations were among topics discussed.

TIAA Appoints Wilson Assistant Secretary

Wilfred J. Wilson has been appointed assistant secretary of Teachers Insurance & Annuity Association and College Retirement Equities Fund.

Mr. Wilson, who will work with the legal staff, has been in the law department of Great-West Life since 1947. He previously was with a Toronto law firm.

Atlantic Life Cites Three General Agents

Atlantic Life has awarded its annual "man of the year" plaque to James H. Stevens, general agent at Dallas, for superior performance in volume, premium income and quality business.

Herbert P. Jones, general agent in Pittsburgh, has won the "challenger" plaque for volume, premium income and quality business second only to the "man of the year."

E. Gay Smith, general agent at Morgantown, W. Va., has won the "A&S man of the year" plaque for superior performance in A&S cases sold and premium income production.

Ohio Insurer Buys L.A. Site

Western & Southern Life has bought the Hershey Arms hotel property, 2600 Wilshire boulevard, Los Angeles, at a reported price of $400,000, to erect a multiple story western headquarters on the site. The property is 250 by 150 feet and fronts on Wilshire and Rampart boulevards and Coronado street.

N. Y. Asks for Strict Terminal Dividend Rules

(CONTINUED FROM PAGE 1)

dividend illustrations or by agents in the soliciting of new business, terminal dividend scales must be approved by the department. Terminal dividend scales to be paid on existing policies must also be submitted.

2. A company which adopts the practice of paying terminal dividends must follow a consistent practice as regards all classes of terminating policyholders. Therefore, a company which proposes to pay terminal dividends only on new policies or which proposes to pay terminal dividends only on certain plans of insurance will not be deemed to be complying with section 216. This does not of course require a company to pay terminal dividends to a class of policyholders which did not make any substantial contribution to company surplus.

3. Any scale of terminal dividends must be based upon actuarial calculations which show that the terminal dividends bear a reasonable relationship to the surplus accumulated by the class of policyholders.

4. A company must justify the duration at which terminal dividends are to commence. No terminal dividend distribution which is to begin only after some arbitrary period such as 20 years will be approved.

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5. Any company which pays terminal dividends when a policy is surrendered for cash must also pay an equivalent terminal dividend when the policy is placed under the nonforfeiture option for extended term insurance. An equivalent terminal dividend must also be paid on policies placed under the reduced paid-up nonforfeiture option, either when the policy is placed under this option or, if the company prefers, when the policy subsequently terminates.

6. A company which pays terminal dividends on surrender or maturity must also pay when a policy is terminated by death unless the method of calculating the mortality factor in its annual dividend formula is such as to recognize the contingency reserve for each group of policies in obtaining the net amount at risk.

7. A company may not pay a lower terminal dividend to an individual policy placed under a settlement option than it would pay if the proceeds were taken in cash.

8. Any scale of terminal dividends must bear a reasonable relationship to the annual dividends previously paid on these policies.

Alorg with the letter and the proposed rules, Mr. Holz gave figures based upon information furnished by the companies in compliance with a circular letter sent out by the department last May to all licensed companies issuing participating policies. Companies are not identified by name.

Of the eight companies whose results are summarized in the tables, all pay the ordinary terminal dividends as cash value. Three of them pay it also on the exercise of the paid-up option. Two of the three do likewise on the exercise of the extended term option and so does a third company that does not do it for the paid-up option. All pay the dividend on the policy's maturity as an endowment. Only two pay it where a policy terminates by death.

There is shown the ratio of terminal dividends paid to total annual dividends paid in 1954. Two companies paid nothing in terminal dividends in 1954. For the others the range was 2/10 of 1% up to 3.6% of total annual dividends.

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Terminal dividends for the eight companies commence at the earliest in the eighth year and range upward to the 20th year. Two start the 10th year, two the 15th, and one the 11th.

The companies were asked to show the ratio of total terminal dividends to the sum of 20 annual dividends, based on the current scale illustrations. For ordinary life at age 35 the range among the companies was from 7% up to 27%; at age 45, it was 5% up to 24%. On 20-pay life, age 25 the range was 8% to 40%, while for 20-year endowment, age 25 it was 7% to 34%.

Based on company estimates, the approximate probability of a policy in force at the end of 20 years receiving a terminal dividend then or thereafter under company practices range from 13% (age 35) up to 100%.

The department's explanatory note on this table says, "According to the Linton 'A' table the probability of a new policy being in force at the end of 20 years is .415. Thus, in the case of a company showing 14% above, the chance as of its issue date of a particular policy receiving a 20th terminal dividend is .058 (ignoring terminal dividends prior to the 20th year)."

New Hancock District Offices

John Hancock on March 1 will open a district office in Charlotte, its first in North Carolina, with Harold D. Adams as manager. Mr. Adams, southern New England regional supervisor since 1954, joined the company at Waterbury, Conn., in 1943.

A third district office has been opened in Nassau county, N. Y., with Walter P. Scott as manager. Mr. Scott, regional supervisor in metropolitan New York and Connecticut, joined the company in New York City in 1930 and entered the field in 1939.

A. C. Webster to Speak

Andrew C. Webster, vice-president for selection of Mutual of New York, will tell "What the Home Office Expects from Supervisors," at the Feb. 14 meeting of New York City Life Supervisors Assn.

On Confederation Board

Confederation Life has named Alderic Laurendeau, Montreal lawyer, and George M. Black Jr., Toronto, president of Canadian Breweries Ltd, to the board.

Kansas City Life Names Nichols to Agency Post

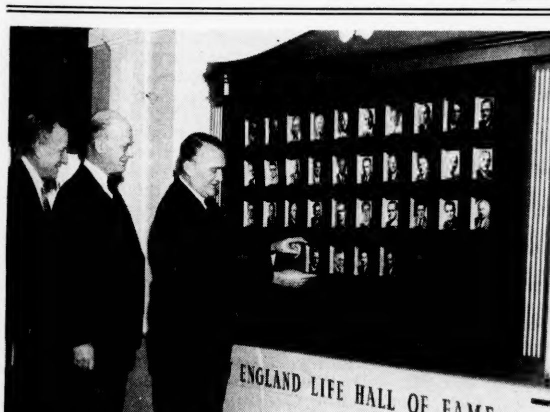
O. D. Nichols has been appointed regional agency supervisor for Kansas City Life in north central states which include Iowa, Nebraska, Minnesota, Montana, North and South Dakota.

He joined Kansas City Life at Jefferson City in 1950 as assistant state supervisor of the Missouri-State agency. He's been in insurance for about 12 years.

Pay 3 Claims in L. A. Rail Crash

Three Occidental Life of California policyholders were among 29 passengers killed Jan. 22 when a San Diego-bound two-car Santa Fe commuter train was derailed in Los Angeles.

Checks totaling $22,000 in benefits were on their way to the beneficiaries of the victims two days after the accident.



NEW ENGLAND LIFE HALL OF FAME OPENING — A specially constructed hall, honoring 68 of the company's current agents who have sold over a million dollars of New England Life insurance in a year, has been opened in the home office building. Hanging the last picture is O. Kelley Anderson, president, with Robert G. Stone, a director, center, and Lambert M. Huppeler, vice-president, whose picture Mr. Anderson is hanging.

Sales Ideas That Work

Make Sale First, Then Give Service

$2 Million App and Check on First Call Prove Value of Early Closing

NEW YORK—Right in the first interview is the time to ask the prospect to apply for the insurance he needs and give you a check. It might result in your walking out with the premium for $2 million of coverage.

At least, that's the way it worked out in a sale recently closed by Harold M. Glickman of the Charles B. Knight agency of Union Central Life in New York City. Within half an hour after meeting the buyers for the first time, Mr. Glickman left with a signed application and the check for the first premium.

The case was unusual not only for its size but for the fact that it involved business insurance of $1 million each on two partners.

To Mr. Glickman, the case served to clinch in dramatic fashion his long standing belief that the only sensible way to make a sale without doing a lot of work that is never paid for is to tie up the sale first and then do all the estate planning work, rather than vice versa. He has seen too many cases in which an agent does a fine job on a supposedly live prospect's insurance arrangements only to have the prospect say, "Thank you very much. I'll take this up with my insurance man. Do I owe you anything?"

Service should follow the sale, not precede it, Mr. Glickman firmly believes. The $2 million case needed and got a tremendous amount of service work by Mr. Glickman, by the agency's estate attorney, Milton Stern, and by the buyers' accountant and attorney—*after* the insurance was sold.

The sale was made through a referred lead from the insurance firm handling the prospects' general insurance. Thus, Mr. Glickman came well recommended and he knew a good deal about the situation before he called. The principals are owners of a highly prosperous and rapidly expanding business. Being intelligent people, they could quickly see that if either one of them died the business would be wrecked because its forced sale would be the only possible way of getting enough money for estate taxes.

It was obvious that a lot of life insurance was needed.

Incidentally, Mr. Glickman lost no time in getting the medical examinations made. The buyers were examined the evening of the day on which they signed the applications.

The amount of estate analysis work that followed the sale was immense. For a number of weeks Mr. Glickman was putting in all his time on it. But he had the satisfaction of knowing that the sale was behind him and that the work he was doing was not just on speculation.

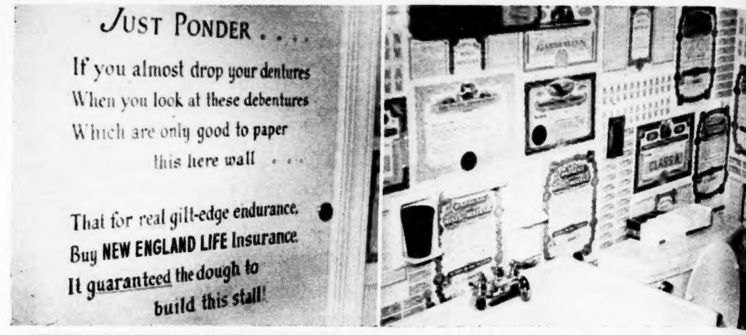
Many agents are hesitant to ask for the application and check on the first interview. Maybe they sincerely believe it is strategically unsound but a lot of the time, Mr. Glickman suspects, it is because the agent doesn't want to face the possibility that he hasn't got as live a prospect as he hopes he has. As far as being too abrupt is concerned, a man will respect you for being direct, Mr. Glickman says. The sooner the prospect knows what it is all about the better he likes it.

"I do not use the expression, 'I'm not here to sell you insurance,'" says Mr. Glickman, "It's insulting to the prospect's intelligence. Life insurance stands on its own feet. If I can show the need, the battle is won."

Mr. Glickman is all for voluntary, close cooperation with the buyer's lawyer and accountant. In the first place, there is no sense in hoping that the prospect will forget to bring them into the picture. In the second place, they can be extremely helpful. In the $2 million case, for example, the estate analysis work showed up the advisability of having certain trusts established. This resulted in an additional $600,000 of insurance being written. This would never have been bought, Mr. Glickman is convinced, if it had not been for the cooperation of the accountant.

While this super-size case showed up the need for estate tax insurance in a starkly dramatic way, it was actually not so different a situation from what faces the owners of many businesses. This business was peculiarly vulnerable to loss in the event of forced sale, but so are many others. For example, in this case one remedy, in the absence of life insurance, might have been to sell off some of the most valuable assets. However, this would have seriously interfered with the profitability of the remaining assets. Also, the sale of important assets could only be made to a competitor—who probably would be in a non-liquid position.

Mr. Glickman has been in sales work all his business life but his insurance selling started with joining the Knight agency. Ever since he began his insurance career he has worked from referred leads wherever possible. Fortunately he knew many people, not only in his former line of business but in other lines, too. He took all the available life insurance courses. In his first full year he paid for half a million, his second year something over $600,000, and in the year just ended $2.9 million. Thus far in 1956 he has paid for nearly a million.



INVESTMENT-WISE PROSPECTS who consider themselves too shrewd to invest their money in life insurance might well ponder on this "Ponder Room," a bathroom papered with worthless stock and bond certificates. The papering job was done by Al Moore, former New England Life general agent at Philadelphia, following his retirement. On the inside of the door is a poem by David Tibbott, New England Life's director of information services. The picture appeared in the New England's *Pilot's Log*, field house organ, with this comment by its editor, Alan Beck: "The gilt-edge view on all sides is a brilliant reminder that all that goes up must come down, all that glitters is not gold, and not only can you not take it with you but it's pretty hard to hang on to while you're here."

India Nationalizes All Life Companies

The government of India has nationalized the life insurance business in that country. President Rajendra Prasad has promulgated an emergency ordinance authorizing the central government to take over the management of all life companies, both foreign and domestic, effective at once.

Finance Minister Chintaman Deshmukh said the action was the first step toward full-fledged nationalization of the insurance business. Comprehensive legislation will be introduced in parliament next month.

No U. S. life companies are doing business in India. There are 109 Indian companies, one Canadian, one British and one Pakistan company and 14 foreign companies selling life as well as other forms of insurance.

The government's action is seen in some circles as the first step in a project to take over all forms of insurance.

L. & C. Appointments

Life & Casualty of Tenn. has promoted J. L. Hill from staff manager to manager at Anaheim, Cal.

R. O. Driver, district manager at Murfreesboro, Tenn., has been named manager of a new Baltimore office. W. R. Scoggins, staff manager at Clarksville, Tenn., has been named district manager at Memphis. A. B. Wood, staff manager at Covington, Ky., has been named district manager at Hannibal, Mo. Stannie Campbell, Mississippi state supervisor, has been named manager at Jackson, Mo.

C. M. Broome III has joined the company as district manager at Nashville. N. M. Brown, manager at Memphis, has been appointed Tennessee state supervisor.

Retail Credit Makes Top Officer Changes

James C. Malone, president of Retail Credit Co., was advanced to president at a stockholders' meeting in Atlanta, succeeding Walter C. Hill who is retiring. Preston C. Upshaw, formerly executive vice-president, becomes president.

J. H. Freeman, associate operating manager, was given the added title of vice-president and W. L. Fulghum, Canadian manager, was appointed resident vice-president at Toronto. William J. Cordes, general counsel, is retiring after 38 years with the company.

With Retail Credit for almost 52 years, Mr. Hill served as president from 1932 to 1946 and as chairman for the past 10 years.

Mr. Malone joined the organization in 1905 and after various field assignments became vice-president in 1925. He has been president for 10 years. Mr. Upshaw, who also has held field positions, joined the company in 1924 and was named executive vice-president last year.

Mr. Freeman has been with Retail Credit for 31 years and Mr. Fulghum for 32. Mr. Cordes joined the company in 1918 and has handled legal affairs for the past 22 years.

Getzoff in New Post

Benjamin Getzoff, who has retired as director of field service of Central Standard Life, has joined Happiness Tours and Journeys International at Chicago as manager of the incentive division.

Mr. Getzoff joined Central Standard after service in World War II as an army colonel. Previously he was active in the sales promotion field as a partner in the Chicago sales promotion agency of Straub & Getzoff which specialized in sales incentive programs. He started with Central Standard as manager of the sales promotion department.

Active in Life Advertisers Assn., Mr. Getzoff won an award of excellence in 1954.

Quillin Continues as G. A.

Paul J. Quillin, who was co-general agent with Frank C. Hughes before Mr. Hughes' recent retirement, is continuing as general agent of Mutual Benefit Life in Milwaukee.

Mr. Quillin, who entered the business in 1946, was named associate general agent in 1950 and co-general agent in 1952. He is a CLU.

Mr. Hughes joined the company in 1912 and was appointed general agent in 1932.

Mutual Benefit Life Reaffirms Faith in General Agency Plan

The general agency system, believed by some to be on the wane, got a vigorous and unqualified pledge of loyalty from Mutual Benefit Life's top agency officer at the company's convention of general agents, held at Chandler, Ariz.

C. G. Heitzeberg

"We don't think the general agency system is doomed," Charles G. Heitzeberg, newly appointed 2nd vice-president and director of agencies, declared. "Rather, I want to reaffirm the company's desire to see that system maintained, expanded, and to see it continue to prosper.

"We think the system brings us leaders, and gives them an opportunity to develop. We think our real sales strength lies in our selecting as general agents those who have earned the distinction of being known as leaders by their associates. . . . We are in business to find and develop leaders who believe strongly in the general agency system and who are eager to solve the problems and enjoy the fruits of that system."

It was Mr. Heitzeberg's first appearance before the general agents since his appointment last fall. President H. Bruce Palmer introduced him.

Mr. Heitzeberg foresaw continued fierce competition for the consumer's dollar in all lines of business, including life insurance; an enormous increase in the market for life insurance; and no lessening of the need for the services of the agent in selling it.

"One thing stands out in my mind," he said. "In the years ahead we will face the necessity of doing much more business with relatively fewer agents. Why? Because we are in the age of distribution and the demand for salesmen continues to grow even as the labor market continues to shrink.

"I can come to only one conclusion that makes sense: We must prepare to break some old rules. We must learn to set new averages rather than rely on the old. We must make it possible for our salesmen to be more effective than they presently are, just as today's salesman is more effective than the salesman of 50 years ago."

The agent operates in a more favorable public relations climate than ever before and along with increased acceptance and increased effectiveness must go an upgrading of the quality of the agent himself, Mr. Heitzeberg declared. This is so because there will be fewer agents and they must be better selected, better trained, and better directed.

Mutual Benefit will begin immediately the writing of insurance for pilots of scheduled airlines and selected pilots of private planes at standard premium rates, Vice-president William F. Ward announced. He also reported other changes in underwriting rules made to bring the company into line with current developments socially and economically, such as the recent increase in the amount of insurance the company will take on one life from $400,000 to $500,000.

Stressing the importance of language in life insurance policies, John J. Magovern Jr., vice-president and counsel, pointed to a steady decline in the past 20 years in the litigation involving life insurance contracts. He said it is highly important that the man in the field understand the fact that applications and policies and contracts must have judicial meaning, said Mr. Magovern. Understanding by the insured is secondary, a fact which is not always appreciated.

"I do not say it is impossible to have both," he said. "I merely point out their order of importance.

Milford A. Vieser, financial vice-president, warned that many well-informed people feel that "we are in an advanced stage of another great inflation which could well end as all booms have ended—in another bust." Many feel, he explained, that the bigger the boom the bigger the bust, and "this is one of the biggest booms our country has ever experienced."

"Such a spiral of deflation is not necessary and we must not let it happen," Mr. Vieser said emphatically.

In the use of mechanical equipment in its normal operations Mutual Benefit "is at least abreast of its time in what it is thinking and doing, and perhaps even a little ahead," Harry W. Jones, vice-president, told the general agents. The savings in costs which will become possible in the years ahead are fascinating to contemplate, he said.

The president's trophy was presented to William T. Earls, general agent in Cincinnati, by President H. Bruce Palmer. The trophy goes to the best all-'round agency and is based on the quality and amount of new insurance written, success in recruiting and training new men, and maintaining production among established agents.

The agency also received the new organization award, the first time that one agency has received both awards in one year. The new organization award is based on outstanding recruiting and development of new men.

Runners-up for the president's trophy were the Erskine agency in Pittsburgh and the Houlihan agency in Saginaw, Mich. Runners-up for the new organization award were McDougall, Cleveland, and Boardman, Boston.

Quality business was recognized by presentation of the Jones award and the mathematician's award. The Crawford agency in Columbia, S.C., received the Jones award. Runner-up was the Drake agency, Kansas City. The mathematician's award went to the Olmstead agency in Providence. Runner up was the Dittmer agency, Toledo.

The agency bulletin award went to Laurance W. McDougall, Cleveland, for the best agency publication.

For their performance in the annual sales motivation campaign the Detroit, Dallas and Richmond agencies won the awards offered by Chairman W. Paul Stillman.

Awards were also presented to the agencies which submitted the highest percentage of business over their quotas during the drive: group I, Erskine, Pittsburgh; group II, Hansch, Dallas; in group III, the Dittmer, Toledo.

The Rosenbaum agency, New York City, received an award for submitting the highest volume of business during the campaign.

Security Life & Trust of Winston-Salem has declared a 50% stock dividend payable Feb. 15 to stockholders of record Feb. 1.

Insurers Offer Group Major Medical Plan for GI Dependents

WASHINGTON—A suggestion that the government consider establishing a comprehensive health insurance plan embracing not only hospitalization and surgical coverage but also a broad range of additional medical services for the dependents of servicemen who are unable to obtain such care through military medical facilities was offered to a House armed services subcommittee by C. Manton Eddy, vice-president and secretary of Connecticut General Life.

Heretofore, dependents of servicemen have been provided with medical care only when government medical facilities were available. A House armed services subcommittee is presently considering legislation which would establish insurance to provide payment for medical care through civilian doctors and hospitals for the families of servicemen who cannot obtain treatment through military medical facilities.

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Speaking on behalf of American Life Convention and Life Insurance Assn. of America, whose companies issue about 85% of the group A&S insurance in force, Mr. Eddy stated that the insurance business believes an insurance program can be established which will effectively provide this coverage. He urged that such an insurance program embody two established insurance principles—a deductible provision and a coinsurance clause. He pointed out that these provisions are included in private major medical insurance now held by over four million people.

Mr. Eddy pointed out that miscellaneous small medical bills, if paid under the suggested insurance program for many thousands of claims, could run the total cost into high figures and the ultimate cost to the government through payment of higher insurance premiums would be greatly increased. A coinsurance clause provides an incentive for the insured to obtain at reasonable prices only such hospital and medical services as are necessary. "Benefit payments are less likely to be used for services of a quasi-luxury nature, with the effect that premium rates can remain moderate," Mr. Eddy said.

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As to the selection of insurance organizations for participation in the program, Mr. Eddy suggested that the Secretary of Defense be authorized to contract directly with one or more insurance companies which are licensed to transact A&S insurance business in all the states and in the District of Columbia and which are qualified by experience in this type of insurance to administer the plan. These primary insurers in turn would then be required to reinsure portions of the total insurance with other companies electing to participate in underwriting the risks. This underwriting method, he pointed out, is similar to that of the method of providing life insurance for government employes under the federal employes group life insurance act of 1954.

The reinsurance would be apportioned according to a formula which would give the smaller companies a larger share in relation to their total group A&S business than the larger companies, he said.

He urged that the entire cost of the insurance should be paid by the government, rather than the serviceman paying 30% of the cost of the basic insurance and the government paying 70% as previously proposed. He pointed out that if the government pays the entire cost of the insurance the program could be put into operation relatively quickly, more economically and with much less administrative difficulty.

In N. Y. Life Group Field

New York Life has appointed V. Paul Ricken, Howard Ives and James Little district group supervisors at Houston, Portland, Ore., and Phoenix, respectively; H. Roy Johnson assistant district group supervisor at Philadelphia; Joseph Carberry and James A. Allen II head of the Newark and Charlotte offices, respectively; Billy B. Reeves, Clayton Hurst, H. R. Williams, John Campbell, J. B. Lynch and G. Spelak representatives at New Orleans, Denver, Birmingham, Atlanta, Chicago and Cleveland, respectively.

WANT ADS

Welfare Fund Premium Tax Angle Stirs Concerns

(CONTINUED FROM PAGE 1)

examinations of welfare funds, whether insured or self-insured and sets up strict standards for their administration. Up to now, self-insured funds have been exempt from state regulation. Hence, the bill would remove this exemption as an incentive to self-insure.

The bill would give the superintendent the power, after notice and hearing, to promulgate a schedule of maximum commissions and service fees for group insurance coverage. During the public hearings held in the course of his investigation, Mr. House indicated sympathy for the union plea that no commissions should be paid to agents or brokers who performed no service in connection with a welfare plan.

The bill's general aim is to permit the funds to operate with considerable freedom but to remove any incentives to mismanagement or racketeering. Among its provisions are these:

1. Funds must file financial reports with the insurance department, including compensation and expenses paid to all trustees, officials, and employes.

2. There would be a one-year limit on employment contracts for fund administrators, accountants, lawyers, or other officials. This would bar lifetime contracts permitting administrators to continue in spite of gross negligence or willful misconduct.

3. Fund officials would be prohibited from using fund assets for their personal profit. They could not lend a fund's money to enterprises which they controlled directly or indirectly.

4. Responsibilities of trustees would be spelled out. There would be a ban on any commingling of welfare assets with the trustee's personal funds. There could be no contracts relieving the trustees of liability for misconduct.

5. No insurance commissions could be paid to any union, employer, trustee, official or employe engaged in welfare fund administration, nor to any agent, relative or other close associate of such trustee.

6. No one could serve as a fund trustee or officer if he had been convicted of a felony or a misdemeanor involving fraud, dishonesty or the like. However, the insurance superintendent could waive this prohibition if convinced that the ex-convict had rehabilitated himself by at least five years of good conduct.

7. Publication of annual reports would be required, giving figures on salaries, commissions, fees, outlays, collections and reserves in comprehensible form. Workers would have to be granted access to such reports through mailing or through newspapers.

8. False statements or misleading omissions in fund reports or literature would be made cause for prosecution. The insurance superintendent would have the right to demand inclusion of statements making clear such conditions as the circumstances under which benefits rights might be forfeited or what the situation would be if a fund should become insolvent.

9. Auditing of all funds by the insurance department would be required every five years and examinations could be made more frequently if the superintendent believed it desirable. The law would follow the present insurance law as respects procedures for control of companies.

10. Bribery of a union or employer trustee would be considered a criminal offense. In a case last year the judge held that the law against bribing a union official did not apply when he was serving as a welfare fund trustee.

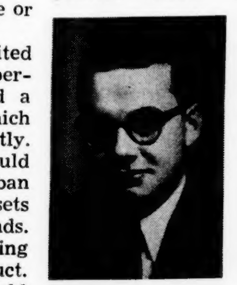
Under the draft bill there would be exemption from the law for plans covering fewer than 20 employes in New York or employes covered under a fund having its main coverage in another state which had similar regulatory laws. The insurance superintendent would have discretion to decide whether to exercise supervision or leave it to the state where most of the covered workers were employed.

Except for the provision making false statements or misleading omissions subject to prosecution, the law does not apply to funds through which an employer merely guarantees payment of specified welfare or pension benefits to workers meeting specific eligibility requirements.

Punishments under the proposed law would be subject to $10,000 fine, a year in jail or both and obstructing the law would be subject to the same penalties.

N. E. Life Appoints A. W. and R. W. Schmidt

New England Mutual Life has appointed Arthur W. and Roger W.



Roger W. Schmidt

A. W. Schmidt

Schmidt general agents in New York City to succeed their father, H. Arthur Schmidt, who has retired after 40 years' service, 30 of them as general agent.

Arthur W. Schmidt has been in the business since 1939, except for naval service. He was supervisor in his father's agency before becoming manager at Philadelphia in 1949. He returned in 1951 to form the Schmidt agency with his father and brother.

Roger W. Schmidt joined the agency at the end of World War II and worked as a producer and supervisor until 1951 when he became co-general agent. The brothers are CLUs.

President O. Kelley Anderson, Vice-president Lambert M. Huppeler, agency members and wives feted the Schmidt brothers at a dinner.

Mail Order Rules Don't Apply to FTC Charges

The federal trade commission has held that the mail order insurance trade practice rules formulated in 1950 have no bearing on the FTC complaints charging some companies with false and misleading advertising of A&S policies. The ruling came out of appeals from actions on motions by FTC Examiner Cox in the cases against Postal Life & Casualty of Kansas City, and American Life & Accident of St. Louis.

The two insurers participated in the mail order trade practices conference, signed the rules, and submitted their policies and advertising to the FTC. They contended in the current cases that they had made all the changes suggested and felt that they were in full compliance with the rules.

602 Already Qualified for MDRT, 57% Ahead

(CONTINUED FROM PAGE 2)

General American, St. Louis.

Marvin Sherman, Equitable Society, Los Angeles; S. Robert Sientz, Continental Assurance, New York City; Chas. N. Siewers, Security Life & Trust, Winston-Salem, N. C.; Ernest H. Slaybaugh, Northwestern Mutual, Yonkers, N. Y.; Solomon Smith, Northwestern Mutual, Boston; Daniel Spooner, independent, Long Beach, N. Y.; Beecher C. Swaim, Continental Assurance, Hartford; M. Glenn Tuttle, Lincoln National, Miami; Franklin A. Van Sant, National Guardian, Madison, Wis.; J. Harry Veatch, Northwestern Mutual, St. Louis; Ernest Watkins, Canada Life, San Francisco; Lester E. Weaver, New York Life, San Francisco; Clyde R. Welman, National Life of Vermont, Montpelier; R. Edwin Wood, Phoenix Mutual, San Francisco; S. B. Campion Wood, Travelers, Philadelphia; Ray T. Wright, Provident Mutual, Lawrence, Kan.; J. Kenneth Wyard, John Hancock, Peoria, Ill.

Life and Qualifying, First Time

E. J. Adams, Equitable Society, Akron; J. Fairleigh Albert, Northwestern Mutual, Los Angeles; Willie H. Alley, Franklin Life, Tulsa; Richard M. Baker, Mutual Benefit Life, Los Angeles; G. William W. Boulware, Connecticut General, Kansas City; Gordon H. Cambell, Aetna Life, Little Rock; Charles P. Carey, Northwestern Mutual, Los Angeles; John W. Chittick, Prudential of England, Toronto; Wm. L. Crofford, Amicable Life, Corpus Christi, Tex.; John F. Dumas, New York Life, New Orleans; E. Floyd DuPree, Provident Life & Accident, Greenville, S. C.; Eddie Dyer, Southland Life, Fort Worth; C. Ted Ermlich, Ohio National, Alliance, O.; William H. Gaither, independent, Charlotte, N. C.; Nyal C. Grady, New York Life, Spokane; Frederick F. Griffin, Connecticut General, Buffalo; Clarence J. Heldman, Prudential, Cincinnati; E. E. Johnson, American National, Springfield, Mo.; Howard M. Katzen, Mutual Trust Life, New York City; Frederick H. Kross, Connecticut Mutual, Detroit.

Robert W. Leu, Massachusetts Mutual, Peoria; Frank J. Longo, Occidental of California, Los Angeles; Charles N. McCarter, New York Life, Wichita; Reginald H. MacMinn, Connecticut Mutual, Boston; Merrill W. MacNamee, National Life of Vermont, Chicago; C. A. Bern MacRury, Great-West Life, Vancouver; Howard L. Mullins, New York Life, Albuquerque; Stanley Newhouse, Massachusetts Mutual, New York City; T. Loehl O'Brien, Massachusetts Mutual, Washington, D. C.; Thomas W. Owens, Prudential, Kingsport, Tenn.; Guy Poliquin, Prudential of England, Montreal; Arthur S. Potwin, Connecticut Mutual, Portland, Ore.; Robert C. Preble Jr., National Life of Vermont, Chicago; George W. Riley, New England Life, Minneapolis; Morris Rosenbaum, New York Life, New York City; Bernard A. Stevenson, Imperial Life, Toronto; Earle D. White, New York Life, Allentown, Pa.

Qualifying, Repeating

Jack Arkin, New York Life, Honolulu; Rudolph Arkin, Massachusetts Mutual, Washington, D. C.; William B. Arnold, Northwestern Mutual, Williamsport, Pa.; Jack R. Ashton, New York Life, Denver; J. Eldon Bailey, Northwestern Mutual, Kansas City, Kan.; Donald C. Ballou, National Life of Vermont, New Canaan, Conn.; R. Neil Benedict, New York Life, Kansas City; Charles Blackman, Security Mutual of N. Y., Providence; Edward Borg, New York Life, New York City; Warden Boswell, Southland Life, Sweetwater, Tex.; James W. Brakebill, Provident Life & Accident, Memphis; Felix H. Bray, Commercial & Industrial, Houston; Charles H. Brittan, Ohio National, Alliance, Neb.; Matthew Cantor, New York Life, Philadelphia; James Carver Jr., Great-West Life, Calgary, Canada; George B. Chapman Jr., Aetna Life, Cleveland; Roland O. Darnell, Provident Life & Accident, Jackson, Miss.; Hadsell Stone Easton, Home Life of New York, Cleveland; Herbert Edelstein, Philadelphia Life, Camden, N. J.; Clarence A. Evans, New York Life, Wichita.

Herman Fishman, Franklin Life, Detroit; Frank A. Flory, Massachusetts Mutual, Adrian, Mich.; Lloyd R. Freeman Jr., Union Central, Philadelphia; Carl T. Gauck, Northwestern National, Fairmont, Minn.; J. A. Ginn, Jr., New York Life, Palatka, Fla.; Warren S. Griffin, National Life of Vermont, Atlanta; H. W. Jack Grosse, Northwestern National, Houston; Morris Handler, New York Life, New York City; R. F. Harris Jr., Pilot Life, Charlotte, N. C.; John R. Hastie, Mutual of New York, Chicago; Marvin V. Henkel, Mutual Benefit Life, Newark; Donald A. Hughes, New York Life, Miami; Clayton A. Jorgenson, Midland National, Pipestone, Minn.; George W. Jackson, Connecticut Mutual, Indianapolis; Norman D. Kass, Bankers National, Medford, Mass.; Nathaniel H. Kates, Equitable Society, Boston; Otho J. Keller III, New York Life, Frederick, Md.; Charles J. Krasne, Connecticut Mutual, New York City; Nat Levine, Great-West Life, Montreal; Vincent A. Liberto, Franklin Life, Laurel, Miss.

Stanley Liss, New York Life, New York City; F. Jean Little, Great-West Life, Grosse Pointe, Mich.; Albert Lloyd, New York Life, New York City; Joseph Louis Lyons, Confederation Life, Toronto; Harry A. McGrath, Connecticut Mutual, Boston; Jack L. McKewen, Fidelity Mutual, Birmingham; E. R. McMillin Jr., New England Life, Nashville; George P. Mahler, Massachusetts Mutual, Kearny, N. J.; Frank R. Neuman, Aetna Life, Grand Rapids; Edward M. O'Keeffe, National Life of Vermont, New York City; George Odell Ovitt, Northwestern Mutual, Newark; M. J. Paine Jr., Connecticut Mutual, Valdosta, Ga.; Malcolm L. Pech, Northwestern National, Houston; Henry J. Peirce, Massachusetts Mutual, Indianapolis; Comer C. Pierce, Massachusetts Mutual, Jacksonville, Fla.; Vincent J. Quartararo, Pan-American Life, Beaumont, Tex.; William I. Rosenthal, Life of Virginia, Maplewood, N. J.; W. M. Scales Jr., Security Life & Trust, Greenville, N. C.; Robert E. Scott, Connecticut Mutual, Kalamazoo; William G. Seeburger, Penn Mutual, Philadelphia.

James J. Serra, Mutual of New York, Shreveport; Ellis J. Sherman, Northwestern National, Minneapolis; A. DeForest Spencer, Provident Life & Accident, Chattanooga; Lawrence H. Stern, Penn Mutual, St. Louis; Donald E. Stull, Mutual Benefit Life, Dayton, O.; Frank E. Sullivan, American United, South Bend; Borislav J. Todorovich, Provident Mutual, Detroit; James M. Tuthill, independent, Minneapolis; Alex R. Urquhart, New England Life, Wilmington, N. C.; G. Clifton Webb, United Services, Lawton, Okla.; Joseph A. Webster Jr., Jefferson Standard, Savannah; Edwin D. Zeigler, Pan-American Life, Florence, S. C.; Arthur L. Zepf, Aetna Life, Toledo.

Qualifying, First Time

Oliver R. Aspegren Jr., Ohio National, Chicago; Paul Atkinson, Penn Mutual, Little Rock; Irving A. Bachman, Mutual of New York, Boston; Roland D. Benscoter, Provident Mutual, Detroit; M. J. Best, Northern Life of Canada, London, Ont.; Edward A. Busch, Prudential, New Brunswick, N. J.; Leon J. Carman, Connecticut General, Springfield, Mass.; Joseph J. Collins, Mercantile Security Life, Dallas, Tex.; Odon S. Davis, New York Life, Wichita; W. Harlow Edwards, Pacific Mutual, Louisville; H. Norman Fitter, Phoenix Mutual, Detroit; Vernon H. Flake, New York Life, Honolulu; Leonard V. Godine, National Life of Vermont, Baltimore; Jack J. Gold, Mutual Benefit Life, Miami Beach; Gerald D. Good, Equitable Society, Hempstead, N. Y.; C. Dean Groth, United Services, Honolulu; James C. Hadsell, Southland Life, Dallas; Fred F. Hageman, Equitable Society, Dayton, O.; Charles R. Haggard, Fidelity Union, Dallas; W. Lawrence Hamilton Jr., Northwestern Mutual, White Plains, N. Y.

Jack Hanley, Equitable of Vermont, Castro Valley, Cal.; William Harmelin, Columbian National, New York City; Joseph S. Harmelin, Manhattan Life, Newark; William Alter Hazlett, Northwestern Mutual, Chicago; Thomas M. J. Hinchey, Equitable Society, New York City; Clark Horton, Great Southern, Oklahoma City; William T. Housey Sr., New York Life, New Orleans; Fred R. Johnson Jr., Piedmont Life, Rome, Ga.; W. L. Kettering, Equitable Society, Pittsburgh; John H. Kissinger, New York Life, Honolulu; Walter S. Lentz, North American of Chicago, Honolulu; Keith Wilson Loring, National Life of Vermont, Miami; J. Ross McAllister, Great-West Life, Vancouver; James J. McCann Jr., Home Life of New York, New York City; Paul J. Madden, Connecticut Mutual, Philadelphia; James C. Metzker, New York Life, Corvallis, Ore.; Marcel Morin, Prudential of England, Montreal; Joe H. Netherland, New England Life, Murfreesboro, Tenn.; Jack Peckinpaugh, Indianapolis Life, Muncie, Ind.; Edmund L. Petersen, Northwestern National, Morris, Ill.

D. C. Pitts Jr., Fidelity Union, Fort Worth; Robert F. Pleu, Aetna Life, Buffalo; Beal Brent Plyler Jr., New England Life, Wilson, N. C.; H. Jay Quinn, Jefferson Standard, Jacksonville, N. C.; Thomas H. Redmond, Indianapolis Life, Anderson, Ind.; Joseph H. Reese Jr., Penn Mutual, Philadelphia; Don Robinson, Business Men's Assurance, Salem, Ore.; Max J. Rudick, Northwestern National, Houston; David Schulman, New York Life, New York City; Franklin E. Sheidler, Northwestern Mutual, Findlay, O.; Garland Sponburgh, Old American Life, Seattle; Reid S. Towler, New England Life, Raleigh; W. B. Wetzell, Northwestern National, Sterling, Ill.; C. Bruce Wilkinson, Mutual Benefit Life, New York City; David L. Williams, Connecticut General, Springfield, Mass.; Harold A. Wood, Penn Mutual, El Dorado, Ark.; John C. Zimdars, New England Life, Madison, Wis.

Jones Leads Prudential Agents in 1955 Sales

Jesse D. Jones, Jacksonville, Fla., led Prudential's ordinary agents in 1955 with $1.8 million production, making it the third consecutive year he has sold more than $1 million.

Mr. Jones, with the company since 1938 except for naval service, also is a substantial group and A&S producer.

Runnerup was Umberto A. Palo, New Brunswick, N. J., who sold $1,716,000. He was top salesman in 1954.

The next three in ordinary agencies rankings were Albert F. Fiorello, Detroit, Bernard C. Lewis, Newark, and Wilbur L. Appel, Indianapolis. Each sold in excess of $1 million.

Charter Peach State L.&A. in Ga.

Peach State Life & Accident Insurance Co. of Dublin has been chartered in Georgia. Incorporators seek $280,000 by selling 56,000 shares at $5 each. They will deposit $100,000 of this with the commissioner as capital stock, use $150,000 as surplus and the balance for organizational expenses.

Kraft, Morgan Made V-Ps of Ohio State

COLUMBUS, O.—Howard W. Kraft and David C. Morgan, director of agencies and mortloan department manager, respectively, of Ohio State Life, have been made vice-presidents.

Howard W. Kraft

Dr. Thomas F. Ross, vice-president and medical director, has been elected to the board of directors. The company has promoted Brooks G. Trueblood from assistant counsel to counsel; Ralph R. Montgomery from auditor to comptroller;

Dr. T. R. Ross

D. C. Morgan

Richard W. Rueckel from assistant auditor to auditor and Edward S. Fries from assistant actuary to associate actuary.

Southland Life Raises 2

James S. Harmon, former home office field assistant for Southland Life, has been named assistant manager at Austin, and R. L. Whitaker, with the company at Tyler, Tex., has been named field assistant and will move to the home office in Dallas.

Mr. Harmon joined Southland Life in 1952 at Henderson, Tex., and became field assistant in 1954. Mr. Whitaker joined the company in 1954.

Revere Names Moorefield

Paul Revere Life and Massachusetts Protective have appointed James L. Moorefield assistant counsel. He has been on the legal staff for 2½ years.

Company Recaps Show '55 as Record Year

(CONTINUED FROM PAGE 4)

ally phases of its operation. New business was $39,628,701, a gain of about 22%. Insurance in force reached $302,446,204, up more than $24 million. Assets totaled $89,977,952, compared with $85,155,611. Benefit payments amounted to $4,248,103, bringing the total since organization to $82,822,225. Stockholders approved a mutualization plan in 1955, when the company also entered the A&S field.

MUTUAL TRUST LIFE

New business in 1955 of $54,493,551 for Mutual Trust Life was a gain of $10,449,135 over the previous year. Records were established in insurance in force and in assets. Insurance in force reached $514,087,948, up from $489,270,091. Assets gained more than $9 million to total $166,265,225. Surplus reached $14,375,586, as against $13,522,843.

In the midst of an expansion program, Mutual Trust opened several new agencies in the latter half of 1955. January production reflects the accelerating program, with sales running ahead of those for the same month last year by 20%. Four new policies were introduced last year.

Plans for the new home office in Chicago are progressing satisfactorily and occupancy is expected May 1, 1957.

NATIONAL LIFE, VT.

National Life of Vermont sales in 1955 totaled $216,803,702, up 12.4%, to exceed the $200 million mark for the first time.

Insurance in force rose by $142,645,150 to reach $1,678,930,314 at year end. Assets climbed by $30,324,880 to total $619,904,618.

Earnings were 4% gross, up .09%, 3.76% after expenses, up .10%, and 3.50% after federal income tax, up .07%. The rate of interest needed to earn to meet interest requirements in 1955 was 2.60%, compared to 2.66% in 1954.

Payments to policyholders and beneficiaries totaled $36,593,233, increase $2,928,549. The company set aside $12,320,000 to pay 1955 dividends, up $937,000.

The company estimated its 1955 federal income tax at $1,483,000, or $148,000 more than would have been the case if the tax were computed on the basis used in 1954. Congress has not determined how the tax will be computed. If the lower amount prevails, the company's net interest rate will increase from 3.50% to 3.53%. If Congdoes not act before March 15, another computation would be used which would increase the estimated tax of $1,483,000 by $387,000. A reserve for this latter amount has been set up.

After all claims, dividends, estimated taxes, operating expenses and required reserves were provided for at year end, the company set up a federal tax reserve of $387,000; added $708,195 to the building improvement reserve to bring it to $2 million; added $770,426 to the voluntary security valuation reserve; and increased unassigned surplus by $2,197,904 to make a total surplus of $37,209,159, increase $4,055,330.

OHIO STATE LIFE

Ohio State Life sales in 1955 totaled $42,135,586, up 26%. Insurance in force climbed to $309,694,636, up $23,400,878, for a record gain. Assets totaled $81,639,995, up $6,075,501, also a record gain.

The Lewis agency at Columbus, O., led all agencies. Jacob A. Shawn of the agency was top producer. The Pittsburgh, Mansfield, O., and Marion, O., agencies ranked second, third and fourth in production.

OHIO NATIONAL LIFE

Ohio National Life registered its best year in 1955, paid-for business of $123,887,580 representing a gain of $15,476,884 over the previous year. Average size of policy has increased substantially during the recent years, reaching a new high of more than $6,500 in 1955.

PHOENIX MUTUAL

Phoenix Mutual Life sales in 1955 totaled $166,106,000, up 17%, for a record. This included $5,924,000 of group on company employes and agents.

Insurance in force reached $1,481,806,000, up $90,537,000. Premium income from new policies reached $7,173,000. Total premium income amounted to $58,138,000.

Assets totaled $716,107,000, up $37,078,000. Payments to policyholders and beneficiaries totaled $39,369,000.

The gross return on all investments was 4.28%, up .11%. New bond and stock investments of $31.2 million were made at an average gross yield of 3.85%, up .20%. The gross rate on new mortgage investments was 4.61% in 1955, down .08%, the decrease being due to a lower return on farm mortgages. The net yield on total invested assets before federal income taxes was 3.52%, up .06%, and after federal income taxes was 3.28%, up .03%.

PILOT LIFE

Pilot Life insurance in force passed the $1 billion mark in 1955, reaching $1,082,351,486, up $152 million.

Assets reached a new high of $138,812,826, up $13 million. Policyholders surplus rose to $21.8 million, up $2.8 million. Payments to policyholders and beneficiaries totaled $14,058,375 in 1955.

Average rate of interest earned on assets for the year was 4.02%. The company has $118.63 in assets for each $100 of liabilities. Reserve for payment of future obligations is $99,385,730.

PROVIDENT L.&A.

Provident Life & Accident volume of A&S in 1955 totaled $51,724,993, up $6 million, for a record increase for one year.

Life insurance in force reached a total of $1,757,541,983, increase $272 million. Assets rose to $120,246,847 at year's end, up $19 million, a record rise for one year. Benefit payments totaled $44,432,843.

The field force was enlarged and the home office employes increased to 700 in 1955.

UNION CENTRAL LIFE

Union Central Life's 1955 new business amounted to a record $313 million, up from $275 million in 1954. Insurance in force passed the two billion dollar mark during the year, as against $1,862,074,632 at the end of 1954, and assets totaled $733 million, compared with $715 million.

UNITED L.&A.

United Life & Accident sales of life in 1955 totaled a record $38,162,173, up $6,722,757. Insurance in force passed the $200 million mark.

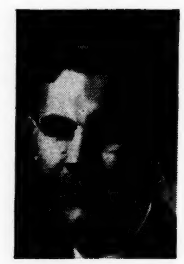
President Douglas B. Whiting said to meet the stockholders' need for current income on a regular basis and to make as much of the company's earnings as possible available for investment in new business it will be recommended to the board that during the next five years the company plan to pay, if earned, a quarterly dividend of $1 a share.

Long range plans look forward to doubling insurance in force and tripling A&S premium income in the next five years.

The company has appointed Warren E. Cutting secretary and superintendent of agents, Harry E. Barrett assistant secretary and director of policy service, and Durward T. Heath assistant treasurer and chief accountant.

Ray A. Clark Resigns Columbus Mutual Post

COLUMBUS, O.—Ray A. Clark has resigned as secretary of Columbus Mutual Life, effective Feb. 15. He has been with the company eight years and secretary for six. He has not announced his plans.



Ray A. Clark

Mr. Clark was for six years with American Central and three years with United Mutual prior to the merger of the two companies into American United. He was five years with the consulting actuarial firm of Haight, Davis & Haight and five years actuary of Farm Bureau Life.

He is a director of Life Office Management Assn. and a past president of Insurance Accounting & Statistical Assn.

Skoglund Headed Group Buys Canadian Insurer

Major interest in Western Life of Hamilton, Ontario, has been purchased by a group of Minneapolis and Canadian business men headed by H. P. Skoglund, president of North American Life & Casualty. Western Life's head office will remain at Hamilton. There is no plan to merge the company with North American L.&C. Western Life has $24 million of life insurance in force and assets in excess of $5 million.

Mr. Skoglund will become chairman of Western Life, with C. W. Howe continuing as president. Robert H. Rydman, associate general counsel of North American, was elected vice-president of Western, and Weldon Ingvaldson, 2nd vice-president of North American L.&C., was named acting treasurer.

Associated with Mr. Skoglund in the purchase are Paul J. Sundberg, vice-president of Brown & Bigelow, St. Paul; James E. Scholefield, vice-president of North American L.&C.; Herbert Hunter, Winnipeg, former insurance superintendent for Manitoba; Charles E. Rey, president of C. E. Rey, Ltd., Toronto; I. C. Hart, Toronto lawyer; William E. Brunning, president of W. E. Brunning, Ltd., Winnipeg, and several executives of North American L.&C.

Postal Names Phelps New Group Supervisor

Postal Life has appointed Furman B. Phelps home office group supervisor to help full time agents, brokers and surplus writers close group cases. He has been in group work for 10 years with State Mutual Life and Massachusetts Mutual Life.

Webb Joins Board of Provident L. & A.; Unruh Is Promoted

Provident Life & Accident has elected Vice-president W. Ray Webb to

H. C. Unruh

W. Ray Webb

the board and appointed Actuary H. C. Unruh chief actuary.

Mr. Webb, vice-president since 1955, joined the company in 1924, advancing to assistant to the vice-president of the group department in 1934, agency vice-president in 1943 and vice-president of the group department in 1946.

Mr. Unruh, who entered the business with Northern Life of Canada, joined the company as assistant actuary in 1946 and was promoted to actuary in 1948.

Seven Promoted at Jefferson Standard

Jefferson Standard Life has made these promotions:

William W. Graves Jr. becomes superintendent of stock investments, securities department. He joined the company in 1954.

Seth Macon becomes superintendent of agencies and sales director. A CLU, he has been superintendent of agencies since 1953.

Hale Newlin becomes assistant secretary and manager of the records department. He was cashier at Houston before returning to the home office in 1943.

James M. Van Hecke becomes assistant secretary and manager of the policyholders service department. He has been assistant manager.

Charles F. Royster becomes assistant manager of the records department. He joined the company in 1950 and has been manager of the premium notice division.

John F. Smith Jr. becomes assistant manager of the policyholders service department. He joined the company in 1948 and has been assistant manager of the change division.

John R. Cauble becomes assistant manager of the change division. He joined the company in 1952 and has been a correspondent in the division.

Clark Heads American Nat'l Ordinary Underwriting Unit

American National has advanced Bailey Clark from assistant manager to manager of the ordinary underwriting department and has named A. J. Clifton and J. E. Rayne assistant managers of that department. The ordinary policy issue section has been constituted a separate department, with Larry H. Peacock as manager and Donald D. Lagrone assistant manager.

Mr. Clark joined the company in 1943 after previously serving as chief underwriter of Ohio National Life. Messrs. Clifton and Rayne have been senior ordinary underwriters for American National. Mr. Peacock started in insurance in 1927 with American National and most recently has headed the ordinary policy issue section.

17 Life Company Stocks Show Losses in Month

Seventeen of the 21 most actively traded life company stocks, for which figures are compiled by Shelby Cullom Davis & Co., New York City insurance stock and municipal bond specialists, showed decreases in asked prices in the past month. Three showed increases, and one no change.

The decreases ranged from a half-point to 75. Continental Assurance, Columbian National and Southwestern Life showed gains of 11, five and three points, respectively. The asked price for Monumental Life showed no change.

Below are the bid and asked prices at the close of business on Feb. 1 and the changes in asked prices in the 35-day period since Dec. 28.

	Bid	Asked	35-Day Asked Changes
Aetna Life	198	204	—11
Beneficial Std.	31½	33	— 2
Colonial	125	132	— 7
Columbian Nat.	100	105	5
Conn. General	460	480	—45
Continental As.	183	188	11
Franklin	86½	88	— 9½
Great Southern	95	100	— 3
Gulf Life	30½	31½	— 3½
Jefferson Std.	115	119	— 4
Kansas City Life	1410	1450	—75
Life & Casualty	36	37	— 1½
Life of Virginia	124	129	— 7
Lincoln Nat'l	430	445	—17
Missouri Ins. Co.	24	25½	— 1
Monumental	89	93	0
National L.&A.	96	98	— ½
Northwestern Nat'l	90	94	— 4
Southland Life	195	205	—30
Southwestern Life	195	205	3
Travelers	79½	81	— 5½

Long Island to Hold Sales Congress Feb. 9

Long Island branch of New York City Assn. of Life Underwriters will hold its annual sales congress Feb. 9 at Garden City hotel, Garden City, N.Y.

Speakers will be Charles P. Phillips, staff supervisor of the field training division of Metropolitan Life; Robert J. Keane, president of Keane & Warner, Inc., New York City A&S agency; H. Fred Monley, associate director of field training of Prudential; Andrew M. Christensen, manager of New York Life at Fresh Meadows, N.Y.; A. Stewart Payne, general agent at Binghamton, N.Y., of Security Mutual Life of Binghamton and president of New York State Assn. of Life Underwriters; and Harold N. Sloane, general agent of Continental Assurance in New York City.

William Krauss, general agent of Union Casualty & Life at Hempstead, N.Y., will be moderator. Bernard J. Lyttle, district manager of New England Mutual Life, will be general chairman.

Regional Specialists to Step up Mutual's New Drive for Group

NEW YORK—Mutual of New York is planning a sharp expansion in its group insurance operations. Regional group specialists have been appointed in key cities in the United States and Canada to design and service all facets of coverage, including death benefits, pension, disability income, hospital, surgical, medical care and major medical.

The coverages are available on a conventional group basis and through "module multiprotection" plans that combine coverages in a single package.

Included is a plan to meet the increasing demand from workers for a group program that will carry over into retirement as permanent coverage without further cost. It will provide the employe, after a reasonable period of service, with permanent paid-up insurance equal to one-third to two-thirds of his total group insurance.

Also available in Mutual's group coverages is creditor life.

Sales of group policies will be handled through Mutual's agents and through brokers. Regional specialists who will design and service the contracts are located at these points: New York City, Frank Miller and Robert L. Scally; Chicago, Richard T. Borah and Delbert C. Larson; Pittsburgh, William S. Carmichael; Atlanta, Don L. Coe; Newark, Frank L. Coughlan; New Orleans, Charles G. Coyle; Detroit, Eugene W. Ford; Boston, Joseph J. Grady; Columbus, O., Jack W. Hassell; Denver, William P. Hesse; Seattle, John C. Miller; San Francisco, C. Allan Stark; Los Angeles, Thomas E. Throp; Buffalo, George J. Lavoie; Toronto, Robert G. Burns.

The network also includes Philadelphia, where A. F. Haas has been Mutual's specialist in "module multiprotection" and "Philabank" plans since September 1954.

All have been through Mutual's training course and have had experience with the company or with other group insurers.

Lincoln National Life Slates Chicago Meeting

Lincoln National Life will hold a management conference for its general agents at the Edgewater Beach hotel, Chicago, Feb. 8-10. Approximately 115 general agents from all sections of the country will attend.

Among those appearing on the program from the home office will include: Walter O. Menge, president; Cecil F. Cross and Henry F. Rood, vice-presidents; W. C. Brudi, H. W. Persons, Jack E. Rawles, and T. A. Watson, 2nd vice-presidents; C. L. Gamble, A. K. Shackleton, and Robert Wehmeyer, assistant superintendents of agencies; and C. N. Walker, associate actuary.

Speakers from the field will include L. S. Becker, St. Louis; J. A. Bryant, Richmond; L. H. Feder, Cleveland; H. C. Fulwiler, Washington, D. C.; J. A. Galligher, Philadelphia; J. X. Harris, Baltimore; Thorpe B. Isaacson, Salt Lake City; Glenn G. Lamar, Birmingham; L. D. Payne, Des Moines; P. T. Seibert, Martinsburg, W. Va.; G. L. Shoup, Grand Rapids; H. M. Silin, Erie, Pa.; and W. C. Ulrich, Oakland. Sixteen others will serve as round table chairmen.

Outside speakers will be Charles J. Zimmerman, managing director of LIAMA, and Dr. Anthony W. Martin, of Rohrer, Hibler & Replogle, management consultants at Chicago.

Shenandoah Life Names Christensen

A. J. Christensen

Shenandoah Life has appointed Andrew J. Christensen superintendent of agencies to succeed C. Thomas Chandler, who has been named superintendent of agencies of Acacia Mutual Life.

Mr. Christensen joined Prudential in 1948 and has been division manager at Roanoke for five years.

1956 Chicago Phone Directory Available

The 1956 edition of the Chicago Insurance Telephone Directory, largest and most comprehensive ever published, is now available from the National Underwriter Co., A-1645 Insurance Exchange building, Chicago. The price is $1, plus 25 cents postage.

Phone numbers of companies, agencies and firms allied with the business, as well as those of their executives, appear in two separate sections. Offices in the Insurance Exchange building are separated from those outside the building. There also is an enlarged classified section in which are listed firms specializing in insurance company accounts.

The new directory is comprised of 210 pages, a record number, and has been completely revised to reflect changes in personnel, phone numbers and office space.

DEWEY MASON, former general agent for 10 years for central New York of the Aetna Life, died in Riverside, Cal. He was a past president of the Syracuse Life Underwriters Assn. In California he was general agent for Occidental of California.

Harmelin agency of Columbian National Life in New York City will conduct a free, 5-lecture course to prepare brokers for the New York state life agent's examinations of Feb. 16.

Joseph M. Bryan

G. K. Cavenaugh

R. B. Taylor

Among the nine executives of Jefferson Standard Life whose promotions were reported in The National Underwriter of Jan. 27 were Joseph M. Bryan, advanced from 1st vice-president to senior vice-president; George K. Cavenaugh, from vice-president, treasurer and securities department manager to financial vice-president; and R. B. Taylor, from agency manager to 2nd vice-president and agency manager.

Garland Smith Resigns from Texas Board

Leading off in developments in the fast moving and complex Texas insurance situation last week was the resignation of Life Commissioner Garland Smith from the board of insurance commissioners. Mr. Smith gave ill health as the reason, but while he has spent a week in the hospital with a stomach ailment, it is an open secret that there has been pressure exerted to have him leave the board.

Prior to his appointment, Mr. Smith was administrative assistant to Gov. Shivers and is therefore well regarded in the Shivers' political camp. The resignation, in line with a good many of the insurance events, has political overtones.

The Texas house and senate investigating committees are continuing their hearings into the insurance business, with the scandal surrounding the failure of U. S. Trust & Guaranty of Waco as the focal point. This is the company headed by A. B. Shoemake, who shot himself in the head Jan. 7 when the expose of his activites was at its height, but is still living.

• • •

One of the witnesses before the senate committee, James P. Swift, vice-president and general counsel of Southwestern Life of Dallas, recommended that Texas reorganize the insurance department by abolishing the three-member board of commissioners and setting up a single commissioner to govern the industry, with the help of a policy-making board of laymen.

Gov. Shivers responded to this suggestion by criticising the position of the insurance companies, saying that Mr. Swift's testimony was "shockingly inconsistent with the position of his company and that of most of the insurance industry in the last session of the legislature" when the insurers sought the help of the governor to pass reform bills making the three commissioners function as a unit. He said Mr. Swift was recommending a new set-up without even giving the present board a full month's trial. The new insurance laws became effective Sept. 6.

• • •

Chairman J. Byron Saunders of the board of commissioners has announced new plans to determine the solvency of Texas companies. This takes the form of a questionnaire to be sent to the insurers in cooperation with Texas Society of Certified Public Accountants, who are auditing all of the companies. The 1,400 domestic companies will be required to answer the questions by May 31, giving information as to their condition as of Dec. 31, 1955.

The questions will cover real estate holdings, mortgage loans, bank loans, stocks, notes, bonds, and reinsurance agreements and year end transactions. The CPAs will be required to certify to the questionnaire answers, as well as the correctness of the annual financial statement.

It is hoped the questions will determine whether there has been any write up in book value, property acquisition, improvements or market value.

The latest order revises the original plan to have CPAs do a complete audit on each texas company. This would have taken more than a year, but the new plan will determine, for most companies, a status by May 31.

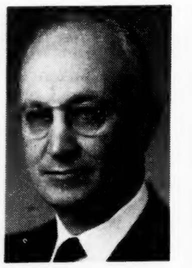
SHOW 1955 INSURANCE RESULTS

	1955 New Life Ins. Bus. $	1954 New Life Ins. Bus. $	1955 Life Ins. Increase in In Force $	1955 Life Ins. Increase in In Force $
Amicable Life	39,427,248	35,648,791	18,224,158	13,797,376
Columbus Mutual Life	53,202,672	49,888,806	28,523,019	25,787,755
Continental American Life	43,713,102	42,723,422	31,185,341	29,884,506
Equitable Life, Iowa	141,292,535	129,878,861	65,272,892	62,118,565
Franklin Life	469,577,598	399,620,754	269,529,244	224,771,516
Guarantee Mutual Life	42,368,554	33,730,525	21,052,004	12,168,958
Indianapolis Life	40,564,967	33,407,031	21,898,283	14,956,982
Jefferson Standard Life	209,130,867	165,985,224	127,003,534	89,200,268
London Life, Canada	442,506,266	391,805,164	330,628,307	243,391,452
Monumental Life	113,819,047[1]	91,619,600[2]	55,983,285	32,924,425
National Life, Vt.	215,966,705	191,909,182	142,645,150	124,161,860
Northwestern National Life	225,538,694[4]	238,699,434[5]	170,740,011	200,278,517
State Farm Life	186,918,861	208,116,505	108,101,958	136,645,731
Security Life & Trust, N.C.	302,425,065	167,403,277	154,658,661	92,093,344

[1]Group is excluded. [2]Group is excluded. [4]Includes U.S. civil service commission issues of $54,029,300. [5]Includes U.S. Civil Service Commission issues of $120,150,800.

Mass. Mutual Names Marchese, Colton, Mount, Hill V-Ps

Massachusetts Mutual Life has promoted Michael Marchese, Raymond M. Colton, Bert Mount and Charles G.



Michael Marchese

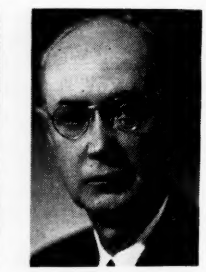
Raymond M. Colton

Hill to vice-presidents, Dr. Howard B. Brown to chief medical director and Dr. Thomas S. Sexton to medical director.

Mr. Marchese has been in the actuarial department since 1913 except for military service in World War I. He was named 2nd vice-president in 1951.

Mr. Colton, who will continue to hold the title of financial secretary, joined the company in 1923 and was named 2nd vice-president in 1953.

Charles G. Hill



Bert Mount

Mr. Mount, with the company since 1912, who did mortgage loan field work at Kansas City, Chicago, Oklahoma City, Louisville and Cleveland, has been 2nd vice-president since 1953.

Mr. Hill, who joined the company in 1942, was named 2nd vice-president in 1954. He is an associate of Society of Actuaries.

Dr. Brown, a general practitioner before becoming assistant medical director in 1931, was appointed medical director in 1949.

Dr. Sexton, who held a fellowship in internal medicine at Mayo foundation for medical education and research before joining the company, was named associate medical director in 1951.

Gehringer Speaks at N. J.

Edward L. Gehringer, Prudential manager at Merchantsville, N. J., will speak at the February meeting of New Jersey A&H Assn.

Change in Equitable Presidency Reported Slated for Feb. 16

NEW YORK—It is anticipated that President Ray D. Murphy of Equitable Society will be elected chairman at the annual meeting Feb. 16 and that one of the senior officers will succeed him as president. There was no official word from the company as to who the new president might be, though it was indicated that no one from outside the company was under consideration.

At various times in the past there have been rumors that former Gov. Dewey of New York or some other prominent public figure was scheduled to take over the Equitable presidency but no such reports are current now, though there is keen interest in insurance circles as to who the new president will be.

It has been generally understood for some time that Mr. Murphy, who will be 69 this month, wanted to step out of the presidential spot. He was elected president three years ago, succeeding Thomas I. Parkinson, who had been president for 25 years.

Name Stewart Chairman of McCahan Committee

Harold M. Stewart, executive vice-president of Prudential and a trustee of American College, has been chosen chairman of the newly formed governing committee of the David McCahan foundation.

Other committee members are Dr. S. S. Huebner, president emeritus of American College and honorary chairman of the committee; Laurence J. Ackerman, dean of the school of business administration of University of Connecticut; James E. Bragg, Guardian Life, professor of insurance at New York university and treasurer of National Assn. of Life Underwriters; Frank Cooper, Southwestern Life, past president of American Society; Davis W. Gregg, president of American College; Grant L. Hill, vice-president and director of agencies of Northwestern Mutual Life, who was chairman of the founding committee of the foundation; Holgar Johnson, president of Institute of Life Insurance; Ray D. Murphy, president of Equitable Society; Thomas L. Norton, dean of the school of commerce, New York university; and Charles J. Zimmerman, managing director of LIAMA.

The committee will hold its first meeting Feb. 10. It is expected to select within the next few months the author and subject of the initial David McCahan lecture to be presented in early 1957 at a leading university.

Dallas Home Office Life Underwriters Assn. at its January meeting heard a talk by Dr. C. E. Cook, associate medical director of Southwestern Life.

Dunn Heads Canada Agents; Association Starts Golden Year

TORONTO—Life Underwriters Assn. Canada launched its 50th anniversary year with the annual meeting here, electing Charles M. Dunn, manager of Mutual Life of Canada at Regina, president. J.D. Mingay, Prudential of England, Toronto, was reelected chairman.

C. M. Dunn

A golden jubilee dinner was attended by more than 500 persons, representing every province and major center in the dominion and leading organizations of the business and industrial world. The principal speaker was James S. Duncan, chairman and president of Massey-Harris-Ferguson, Toronto.

J. O. Hyndman, an 80-year old agent from Prince Edward Island, was honored as the only living representative of the group that founded the association in 1906. His entire business career has been in insurance. The John A. Tory gold medal for outstanding success in completing the CLU program went to Norman G. James, Canada Life, Hamilton.

Noting association membership has reached 7,575, Mr. Mingay emphasized the development of a full-time life agent from only another poor salesman to a skilled adviser has been accomplished in large part by the leadership and constant prodding exerted by the agents' group. Not one company in Canada made any effort 50 years ago to train or educate their field men, he said.

During the past 50 years, Mr. Mingay continued, the association has worked with increasing success to raise the standard of ethics and education of agents. He said there has been a very definite impact on the thinking of company officials, reflected today by the increased emphasis given to better selection, training and development of agents.

The award for the most outstanding all-around local association of the year went to Halifax.

Mr. Dunn started in insurance with Mutual Life in 1923, and after service with the provincial government from 1934 to 1938, rejoined Mutual at Regina, becoming manager there the following year.

P. M. SNIDER, who retired in 1952 after 23 years as general agent of Aetna Life in Tacoma, Wash., died. He had been president of Tacoma Assn. of Life Underwriters and vice-president of the state association.

J. R. Beveridge

JAMES R. BEVERIDGE, 51, vice-president and actuary of Manufacturers Life, died in Toronto General hospital. He joined the actuarial department in 1925. He was a fellow of Society of Actuaries.

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